

PIR FY 2023 - Green Finance & Sustainable Infrastructure

UNEP GEF PIR Fiscal Year 2023

Reporting from 1 July 2022 to 31 December 2022

1. PROJECT IDENTIFICATION

1.1. Project details

Identification Table		GEF ID.: 9775	Umoja no.: S1-32GFL-000615 / SB-011370.01 & SB-011370.02
Project Title		Aligning the financial system and infrastructure investments with sustainable development - a transformational approach	
Duration months	Planned	24 months	
	Extension(s)	All: 31 August 2021 (+8 months)	
		ETP-U: 30 June 2022 (+18 months)	
		Inquiry / UNEP FI / GGKP: 31 December 2022 (+24 months)	
		ETP-U: 31 December 2022 (+24 months)	
Division(s) Implementing the project		UNEP - Economy Division - Energy & Climate Branch - Climate Mitigation Unit	
Name of co-implementing Agency		N/A	
Executing Agency(ies)		Components 1 & 2: UNEP Inquiry / UNEP FI / GGKP ¹	
		Component 3: UNEP - Economy Division - Resources & Markets Branch - Economic & Trade Policy Unit (ETP-U) ²	
Names of Other Project Partners		Components 1 & 2: Tsinghua University, Mongolian Stock Exchange, Astana International Finance Center, Development Alternatives/NIPFP, FMDQ OTC Securities Exchange, Banco de Mexico, Climate Bonds Initiative, UNDP	
		Component 3: WCMC, Blended Capital Group, China EXIM Bank, CHINCA, EIB, Swiss FOEN, FIDIC, FoE, GCA, GIZ, GIB, ILO, IDB, IGES, IISD, ITRC, IUCN, National Development Agency of Mongolia, OECD, SIF, TNC, UN Women, UNDP, UNIGE, University of Oxford, UNOPS, World Bank Group, WWF, Zofnass Programme	
Project Type		Medium Size Project	
Project Scope		Global	
Region		Africa, Asia Pacific, Latin America and Caribbean, West Asia	
Countries		China, Ghana, Kazakhstan, India, Mexico, Mongolia, Nigeria, Rwanda	
Programme of Work		PoW 2022-2023, Subprogramme 1 Climate Change	

¹ Execution handed over to GGKP mid-2021

² Previously called the Economic and Fiscal Policy Unit

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GEF Focal Area(s)		Climate Change Mitigation
UNSDCF / UNDAF linkages		China 2016-2020 UNDAF: Improved and Sustainable Environment Kazakhstan 2016-2020 UNPFD: Reduced Disparities and Improved Human Development India 2013-2017 UNDAF: Environmentally Sustainable Development. Mexico 2014-2018 UNDAF: Environmental Sustainability and Green Economy Mongolia 2017-2021 UNDAF: Promoting Inclusive Growth and Sustainable Management of Natural Resources Nigeria 2014-17 UNDAF: Equitable and Sustainable Economic Growth
Link to relevant SDG target(s) and SDG indicator(s)		SDG 9, target 9.1 SDG 10, target 10.5, Target 10.b SDG 13, target 13.2 SDG 17, targets 17.1, 17.3, 17.9
GEF financing amount		US\$ 2,000,000
Co-financing amount		US\$ 3,245,000: - Inquiry / UNEP-FI: US\$ 2,633,625 - ETP-U: US\$ 611,375
Date of CEO Endorsement		5 June 2018
Start of Implementation		- Inquiry / UNEP FI: 27 December 2018 - ETP-U: 14 November 2018
Date of first disbursement		- Inquiry / UNEP-FI: 8 January 2019 - ETP-U: 21 November 2018
Total disbursement as of 31 December 2022		Total: US\$ 1,955,000 - Inquiry / UNEP-FI / GGKP: US\$ 1,018,500 - ETP-Unit: US\$ 921,500 - UNEP Evaluation Office: US\$ 15,000
Total expenditure as of 31 December 2022		Total: US\$ 1,747,627.93 - Inquiry / UNEP-FI / GGKP: US\$ 853,676 ³ - ETP-Unit: US\$ 900,064 ⁴ - UNEP Evaluation Office: US\$ 14,970
Expected Mid-Term Review Date		N/A
Completion Date	Planned	31 December 2020
	Revised	31 August 2021 (Rev 1)
		30 June 2022 (Rev 2 for the ETP Unit)
		31 December 2022 (Rev 2 for the Inquiry / UNEP FI / GGKP)
		31 December 2022 (Rev 3 for ETP Unit)
Expected Terminal Evaluation Date		30 June 2023
Expected Financial Closure Date		31 December 2023

³ A final expenditure report as of 30 June 2023 is still expected from GGKP at the time of this PIR submission.

⁴ A final expenditure report as of 30 June 2023 is still expected from ETPU at the time of this PIR submission.

1.2. Project description

Project Objective: Build international consensus to align financial systems with the Sustainable Development Goals and catalyse national regulatory actions and regional sustainable infrastructure investments.

Project Components:

- Component 1: Catalyse national action

The project supports the drafting of sustainable finance roadmaps for 6 countries (China, Kazakhstan, India, Mexico, Mongolia, Nigeria). To achieve this, the project will prepare a Roadmap Development Tool and a Performance Tool. Finally, the project will provide implementation support to two of the six countries to strengthen specific areas of the country Roadmaps.

- Component 2: Build international consensus around best practice

Under this component, the project will organize / participate in international dialogues to build consensus around best practices for green financial system. Lessons learned and knowledge from the experience of the 6 countries targeted under Component 1 will also be compiled and shared through a Roadmap Design and Implementation Guide. Finally, an online Global Learning Platform to build and capture consensus on harmonized green financing policies, regulations and norms will be created.

- Component 3: Promote sustainable infrastructure investments

The project will launch a Sustainable Infrastructure Working Group of investors and stakeholders who commit to promoting investments in green and sustainable infrastructure and sustainable infrastructure investment principles will be developed and presented to a coalition investors and stakeholders. Additionally, the project will map major infrastructure investments against areas of globally significant environmental risk related to 3 MEAs, and their environmental impacts will be estimated. Particularly, an infrastructure investment will be identified, for which a set of specific sustainable investment criteria will be developed. Finally, a measurement framework to track performance against Working Group commitments will be developed and tested on at least one infrastructure investment.

Executing Agencies:

- UNEP Inquiry / UNEP FI / GGKP for Components 1 & 2
- UNEP - Economy Division - Resources & Markets Branch - Economic & Fiscal Policy Unit (EFP-U) for Component 3

1.3. History of project revisions

Version	Date	Main changes introduced in this revision
Rev0 (CEO ED)	05/06/2018	
Rev1 (EFP-Unit)	22/04/2020	Extension of technical completion date to 31 August 2021 for Component 3
Rev1 (Inquiry/UNEP FI)	08/03/2021	Extension of technical completion date to 31 August 2021 for Components 1 and 2
Rev2 (GGKP)	08/07/2021	Extension of technical completion date to 31 December 2022 for Components 1 and 2
Rev2 (EFP-Unit)	19/08/2021	Extension of technical completion date to 30 June 2022 for Component 3
Rev3 (EFP Unit)	31/05/2022	Extension of technical completion date to 31 December 2022 for Component 3

2. OVERVIEW OF PROJECT STATUS

2.1. UNEP Subprogramme(s)

UNEP Subprogramme(s)	Specify the relevant PoW Outcomes & Indicator(s)
<p><u>Climate stability</u>: Countries increasingly transition to low-emission economic development pathways and enhance their adaptation and resilience to climate change</p>	<p>Outcome 1B: Countries and stakeholders have increased capacity, finance and access to technologies to deliver on the adaptation and mitigation goals of the Paris Agreement.</p> <p>Indicator (i) Number of national, subnational and private sector actors that adopt climate change mitigation and/or adaptation and disaster risk reduction strategies and policies with UNEP support</p> <p>Indicator (ii) Amounts provided and mobilized in \$ per year in relation to the continued existing collective mobilization goal of the \$100 billion commitment through to 2025 with UNEP support</p>

Components 1 & 2:

Indicator (i)

China: In March 2021, China approved its 14th Five-Year Plan and announced to “expedite the transition of China’s growth model to one of green development and promote both high-quality economic growth and high-standard environmental protection”. In January 2021, the China Emissions Trading Scheme was introduced through the promulgation of the ‘Measures for the Administration of National Carbon Emissions Trading (Trial)’. In October 2021, the Central Committee of the Communist Party of China and the State Council issued a guidance that sets out targets for delivering China’s carbon neutrality goal.

India: In 2020, India issued Notification S.O. 4259(E) creating the Apex Committee for Implementation of Paris Agreement, to develop policies and programmes, to make India’s domestic climate actions compliant with its international obligation, and to function as a National Authority to regulate carbon markets in India. India’s most recent stimulus (2021) is more climate-friendly, with two-thirds of the resources targeted towards a green recovery, including roughly USD 3bn in battery development and solar PV. In August 2022, the Indian government announced the update to its first NDC to 2030.

Kazakhstan: In late 2020 Kazakhstan joined countries who announced their pledge to reach carbon neutrality by 2060. While there are numerous factors that affect the achievement of such ambitious goal, it is expected that sustainable finance instruments will play a crucial role in transition to green economy. Since 2017, Astana International Financial Centre (AIFC) has been working on development of green finance, namely development of the Concept of Green Financial System for Kazakhstan, adoption of the Green Bond Rules at the Astana International Exchange (AIX), mechanism of reimbursement of expenses of issuers and the first issuance of the green bond in August 2020. With the assistance of the AIFC Green Finance Centre, a draft Green Taxonomy of the Republic of Kazakhstan has been developed by the Ministry of Ecology, Geology and Natural to provide a more detailed specification of green projects in national policies. It was adopted by the Government in the end of 2021, and will be applied, among other things, in the context of green bond issuances.

Mexico: Mexico’s government (2018-2024) has expressed its intention to further strengthen its climate change framework by refining climate goals, updating its climate change policy, and by building institutional capacities to enhance cooperation and unlock green finance. In October 2020, the Federal Government of Mexico issued a 750-million-euro SDG Sovereign Bond, under its SDG Sovereign Bond Framework. Mexico’s Climate Change Law, which includes ambitious emissions reductions targets, was passed in 2012 and amended in 2014 to establish a National Emissions Registry and in 2018 to initiate a national emissions trading system. According to the announced NDC target enhancement announced at COP27 ministerial roundtable, Mexico aims a 35% reduction in GHG emissions and intends to add 105 GW of renewables by 2030.

Mongolia: In 2019, Mongolia issued Resolution 407/2019 on approving the NDC. In addition, the National Energy Conservation Program 2018-2022 (NEEAP) contains a number of measures aimed at increasing the efficiency of Mongolia’s energy sector. Mongolia is committed to supply 30% of the country’s energy through renewable energy by 2030, as part of its NDC targets.

Nigeria: In 2022, Nigeria issued the National Action Plan on Gender and Climate Change for Nigeria. In 2017, Nigeria’s green bond programme was issued to provide finance to projects contributing positively to the environment and climate change. In July 2021, Nigeria submitted its updated NDC reflecting higher ambition, quality and national buy-in from intensive revision process, setting estimated BAU 2030 emissions at 453 MTCO2e and raising economy-wide mitigation targets to 47%.

Indicator (ii)

China: *Environmental Disclosure in the Banking Sector of China: Practices and Experience*, released in 2021 by the Beijing Institute of Finance and Sustainability presents the status quo of the disclosure of environmental information on green bonds and mentions the upcoming mandatory disclosure, which is key to develop a green bonds market and that can be indirectly linked to the increase of green debts issuance in China.

The total balance of green loans is growing as a share of the overall credit balance, expanding from 8.8% in 2013 to 10.4% at the end of 2019, to reach a cumulative total of over RMB 10.6 trillion (USD 1.5 trillion), which is align with increase disclosure regulations. In the first half of 2022, RMB 3.53 trillion of green loans were added to the outstanding amount of RMB 16.02 trillion (US\$ 2.361 trillion) at the end of 2021, representing 44% CAGR, in line with previous period's 40.4%. The People's Bank of China is leading the development of a transition finance taxonomy with the endorsement of the Transition Finance Framework by G20 leaders in Bali.

India: *Country Strategy for Green Inclusive Micro Enterprises Financing* highlights access to capital on reasonable financing terms as one of the primary barriers to micro enterprises driving sustainability in India. The roadmap mentions that the poor energy and environmental performance are directly related to these enterprises' lack of technical and financial capacity to identify, access, adapt, and adopt better technologies and operating practices and mentions green bonds as a financial mechanism to promote green investments and make new technology competitive. With US\$ 6.11 billion of green bonds issued in the first 11 months of 2021, India saw the largest annual issued volume since the first issuance in 2015. With the announcement to issue the first sovereign green bonds the volumes are expected to grow exponentially. The first sovereign bond issuance is announced for January and February 2023, with a total combined value of US\$ 1.9 billion.

Kazakhstan: Starting in 2021, the Astana International Financial Center (AIFC) introduced a number of relevant sustainable finance initiatives, including the AIFC Statement of Commitment to Sustainable Finance Principles, ESG reporting framework for Astana International Exchange-listed companies, and launch of the Regional Chapter of Green Investment Principles for BRI in Central Asia. Recognized as a "green market pioneer" at the 2020 Climate Bonds Awards, the Damu Entrepreneurship Development Fund's debut green bond issuance on the AIX marked a crucial milestone in mainstreaming the sustainable bond market. The volume of green and social bonds issued on the amounted to 38.6 billion tenge (US\$90 million) by the end of 2021. The first green bond issue had catalyzed the formation the sustainable bond market (including both the AIX and Kazakhstan Stock Exchange), which stood at over 110.4 billion tenge (US\$250 million) at the end of 2021. Meanwhile, the total volume of labelled green loans reached 28.5 billion tenge (US\$66 million). An additional bond of 14.1 billion tenge (US\$ 35 million) was issued in 2022.

Mexico: Policy recommendation includes the issuance of green bonds. Mexico has been a repeat issuer, with its first sovereign sustainability bond issued in 2020 standing at US\$ 0.9 billion in late 2020. By late 2021, the total balance increased to US\$ 2.64 billion. In 2022, at least US\$ 4 billion worth of green bonds were issued by the Mexican government and its state-owned enterprise(s).

Mongolia: Mongolia Sustainable Finance Roadmap was developed with the support of UNEP Inquiry and IFC and key recommendations in the roadmap were integrated into the Financial market Development Programme until 2025 approved by the Mongolian parliament. Despite the Government's recent effort to establish a green development fund through the Development Bank of Mongolia, the Mongolian Bankers Association, and the Mongolian Sustainable Finance Association's initiative to establish the Mongolia Green Finance Corporation, project financing is lacking and credit terms are tight. The financial market also lacks long-term financing sources, as there are no substantial institutional investors, such as life insurance providers or pension funds. In 2018, Mongolia introduced its National Sustainable Finance Roadmap up to 2030, which marks a vast reform agenda in the financial system to embed sustainable finance beyond banking, in insurance, capital markets and institutional investors.

Nigeria: *Nigeria Green Tagging Banking Review* offers guidance on developing a robust monitoring and disclosure framework for financial institutions to accurately and transparently report their financial footprint. The objective of the Green Tagging Pilot presented in the report (assess the level of exposure of loan book) was to draw findings to be used to develop a roadmap to scale up green bond issuance. In 2019, Nigeria issued a green bond N15 billion. The value of the Nigerian green bonds market has grown to N49.19 billion, recording four issuance in the last three years since the debut issuance by the Federal Government.

Component 3:

Indicator (i):

Under Component 3 of this project UNEP supported one country (Mongolia) in making progress in adopting and/or implementing low greenhouse gas emission development plans, strategies and/or policies, through the development of sustainable infrastructure roadmap for the transportation sector in the Khangai region (three provinces).

In addition to the planned work in Mongolia, Component 3 of the project also made in-kind contributions to a project in Ghana, jointly delivered by UNEP, UNOPS, Oxford University, the Global Centre for Adaptation, and the Ministry of Science, Technology, and Environment of Ghana (MESTI). The project conducted a climate risk assessment for built and natural infrastructure in the transport, energy, and water sectors, and developed a sustainable infrastructure adaptation roadmap that will feed into the revision of Ghana's NDCs and the development of a National Adaptation Plan funded by the GCF, and is expected to generate financial investment in sustainable infrastructure assets. The roadmap was launched in March 2022, and it includes 35 concrete investment options for increasing the resilience of Ghana's infrastructure in the study sectors. In addition to working with the project partners to help mobilize financing for the investments in the roadmap, beginning in Q1 2023, UNEP is working with GIZ and IISD to help MESTI begin implementing one of the action from the roadmap, which is about mainstreaming nature-based solutions (NbS) into infrastructure planning processes.

Finally, the project worked with the Ministry of Environment of Rwanda (MoE) to provide training and capacity building around the *International Good Practice Principles for Sustainable Infrastructure*, including a regional training course for other countries as well, a training-of-trainers (ToT) course, and a concept for a regional center of excellence on sustainable and resilient infrastructure. In Q2 2023, as a follow-up to the ToT course, MoE will deliver a "mass training" to other government colleagues working in infrastructure.

Indicator (ii):

Given the uncertainty inherent in implementation of measures beyond the implementation period of this project, ETPU took a conservative approach to estimating the contribution to this indicator; activities under Component 3 of the project are estimated to lead to a total of **\$95 million** of investment in sustainable infrastructure by 2025. This estimation is based on the following:

In Mongolia, the regional transport infrastructure roadmap covers approximately \$686 million of investment in 15 road projects. We estimate that if 20% of the projects are made more sustainable because of the roadmap, and that the project intervention is responsible for 50% of this impact, then the project can be considered to have resulted in **\$68 million** of investment.

In Ghana, the infrastructure adaptation roadmap includes 35 adaptation investment options with a total estimated cost of approximately \$5 billion. We estimated that if 30% of these options are implemented, and 30% of those options integrate the sustainability measures from the roadmap, then we would conservatively consider UNEP's contribution to be responsible for 1% of these sustainable investments, for total contribution of **\$5 million**.

In Rwanda, the estimation is based on Rwanda's mid-term sector development plan for the WASH, urban development, transportation, and energy sectors, and based on an assumption that 30% of the capital investment components of those plans will be realized, of which 10% will reflect the SI principles, and the project intervention is responsible for 60% of that result, then the estimated amount of investment mobilized is **\$22 million**.

In the original projected estimate for Component 3, the SI principles were projected to contribute an estimated \$25 million in investment in sustainable infrastructure within 5 years of project completion. However, because of the difficulties in estimating such an indirect impact, the estimated investment mobilized by the adoption of the SI principles has been excluded from this calculation to be conservative.

[Section to be shared with relevant Regional and Global SubProgramme Coordinators]

2.2. GEF Core Indicators (for all GEF 6 and later projects):

GEF Core Indicators		Indicative expected Results	
Indicator		Expected values at	
		Mid-term	End-of-project
Core Indicator 6 - Greenhouse gas emission mitigated		N/A	3,113,863 tCO _{2eq} ⁵ (by 2031)

⁵ Of which 2,855,875 tCO_{2eq} through the national roadmaps and 257,988 tCO_{2eq} through the sustainable infrastructure investment

Components 1 & 2:

The emission reductions from the six roadmaps are considered to be direct emission reductions, since they are attributable to policy actions conducted within the project's logical framework during its supervised implementation period.

Due to partial delays in implementation arising from the COVID-19 pandemic and other political factors outside UNEP's control, the ten-year timeline of the mitigation benefits attributable to the project have been adjusted to encompass 2022-2031. However, since all 6 roadmaps have been successfully developed and endorsed, the assumptions that had been outlined in the CEO Endorsement Document are considered validated and these are the same assumptions used to calculate the cumulative direct GHG emission reductions achieved by year 2031. A summary of mitigation benefits arising from the project's components 1 and 2 is outlined in below table.

Summary of project mitigation benefits, in (tCO₂e emissions reduction):

1. Directly attributable mitigation benefits from National Sustainable Roadmaps												
Country	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Mongolia	0	720	1,440	2,160	2,880	3,600	4,320	5,040	5,760	6,480	7,200	39,600
Kazakhstan	0	4,225	8,450	12,675	16,900	21,125	25,350	29,575	33,800	38,025	42,250	232,375
Mexico	0	11,280	22,560	33,840	45,120	56,400	67,680	78,960	90,240	101,520	112,800	620,400
Nigeria	0	11,700	23,400	35,100	46,800	58,500	70,200	81,900	93,600	105,300	117,000	643,500
China	0	18,000	36,000	54,000	72,000	90,000	108,000	126,000	144,000	162,000	180,000	990,000
India	0	6,000	12,000	18,000	24,000	30,000	36,000	42,000	48,000	54,000	60,000	330,000
Annual total	0	51,925	103,850	155,775	207,700	259,625	311,550	363,475	415,400	467,325	519,250	2,855,875
2. Indirectly attributable mitigation benefits from information dissemination, awareness-raising and capacity building												Total
Global Learning Platform, dialogue events, Sustainable Infrastructure Working Group, global infrastructure mapping and modeling												399,823

The six roadmaps on national climate pledges and clean energy targets are linked to **2,855,875 tCO₂e** of directly attributable emissions reductions, and are outlined below:

China: Ahead of COP26 in October 2021, China officially submitted its carbon neutrality “before 2060” target and updated NDC targets to the UNFCCC. Current China's policies projections would bring China's emissions to be 13.2 to 14.5 GtCO₂e in 2030, meaning that China is within range to overachieve its existing 2030 non-fossil and carbon intensity NDC targets off the back of its recent policies.

India: Under current policies and action, greenhouse gas emissions (excluding LULUCF) are projected to reach a level of 3.84-4.02GtCO₂e in 2030. By the end of 2022, India had installed renewable energy capacity of 168 GW⁶.

Kazakhstan: In 2020, Kazakhstan's emissions declined by 3-5% below 2019 levels. At the COP-26 session Kazakhstan confirmed the achievement of carbon neutrality until 2060 by joining the Agreement on Forest Ecosystems (as it is known, it is planned to plant 2 billion trees), developing renewable energy sources up to 50 percent by 2050 and gradually reducing coal consumption to 40 percent by 2030.

Mexico: Mexico's emissions in 2020 were 13%-14% lower than in pre-pandemic conditions. By 2030, Mexico, has pledged to reduce greenhouse gas emissions by 22%.

Mongolia: Mongolia developed and submitted its Intended Nationally Determined Contributions (INDC) to the UNFCCC on September 24, 2015. Mongolia's INDC outlined a series of policies and measures that the country has committed to implementing through 2030 in the energy, industry, agriculture, and waste sectors. The cumulative impact of the mitigation measures identified in INDC is estimated to result in an approximate annual reduction of 7.3 Mt CO₂-eq. of economy-wide emissions in 2030, corresponding to a 14% reduction compared to a business-as-usual (BAU) scenario

Nigeria: Nigeria's current policies are rated 1.5°C compatible. The “1.5°C compatible” rating indicates that Nigeria's climate policies and action are consistent with limiting warming to 1.5°C. In its NDC update, Nigeria has committed to reducing emissions by 47% below BAU by 2030, conditional on international support

Component 3:

Given the uncertainty inherent in implementation of measures beyond the implementation period of this project, ETPU took a conservative approach to estimating the contribution to this indicator; Component 3 is expected to result in a total of **887,697 tCO₂e** of GHG emissions being mitigated by 2030. This estimation is based on the following:

⁶ Includes 47 GW of hydropower capacity, which was not initially included in original target of 175 GW by 2022. Ministry of Power, Central Electricity Authority.

In Ghana, based on the number of projects in the infrastructure adaptation roadmap that include restoration of vegetated areas, an assumed implementation rate of 30%, and the rationale that 50% of those inputs can be attributed to UNEP's interventions, it is estimated that **869,317 tCO_{2eq}** of GHG emissions will be mitigated. In Rwanda, the estimation is based on the amount of concrete that will be avoided through the deployment of NbS in the mid-term sector development plan, and the emissions mitigations that will result from that, with an estimate of **18,380 tCO_{2eq}** of GHG emissions will be mitigated.

In Mongolia, the roadmap prioritizes investments in 15 road projects based on the integrated assessment of environmental risk vs. socio-economic benefit. It is assumed that none of the 15 projects will be cancelled because of the project work (which would entail a significant volume of avoided emissions), and while there is potential for NbS to be incorporated into the road development plans, there is no concrete data to draw on (unlike in Ghana and Rwanda), and so to be conservative, no emissions reductions from Mongolia have been included in the estimation.

2.3. Implementation status and risk

	FY 2020	FY 2021	FY 2022	FY 2023
PIR #	1 st	2 nd	3 rd	Final
Rating towards outcomes (section 3.1)	MS	S	S	S
Rating towards outputs (section 3.2)	MS	MS	S	S
Risk rating (section 3.3)	M	M	L	L

Rating towards outcomes:

Outcome 1: Governments agree to develop, implement and measure the impact of one or more recommendations from their country roadmaps

The six country roadmaps have been completed and policy recommendations have been endorsed by the six governments:

China: *The Environmental disclosure in the banking sector of China* report provides a number of policy recommendations for its banking industry to improve disclosure. This includes standardizing disclosure content and format, reinforcing the accuracy and credibility of data by incorporating third-party validation, and optimizing the use of data with improved feedback mechanisms for data providers and users.

Alongside the country's fast-growing green finance market, China's regulatory framework for sustainability disclosure has been constantly developing and largely aligned with international best practices. China's Ministry of Ecology and Environment (MEE) has published its [Plan for the Reform of the Legal Disclosure System of Environmental Information](#), which provides a roadmap to establishing a completely compulsory environmental information disclosure mechanism for domestic listed companies and bond issuers by 2025. Several new rules on environmental information disclosure have been issued to support this plan. In July 2021, China's central bank issued its [Guidelines on Environmental Information Disclosure for Financial Institutions](#), which focused on carbon and took into consideration the four pillars of the Task Force on Climate-related Financial Disclosures (TCFD), marking the first set of standards with specific requirements on environmental governance, risk analysis, impact assessment of financing activities, and others. In addition, the People's Bank of China officially started an [evaluation on banks' performance](#), a complimentary policy to enforce disclosure. In January 2022, the MEE issued new [disclosure rules](#) that required listed companies and bond issuers to disclose environmental information.

India: *Country Strategy for Green Inclusive Micro Enterprises Financing* report identifies micro enterprises as the crucial force to transitioning the Indian economy into a greener and more inclusive model. To further support this transition, it analyses the role, opportunities, and challenges faced by green and inclusive micro enterprises from a financial lens by first dissecting the existing financing architecture in which they practice. It also sheds light on the role of emerging innovations. One of the policy recommendations is to develop innovative financial products to help micro-entrepreneur access sustainable financing with ease.

In June 2020, the Indian Ministry of Micro, Small & Medium Enterprises issued a [note](#) on information technology and launched a robust Information and Communications Technology (ICT) based Internet Grievances Monitoring System portal called [Champions](#). The portal aims to help MSMEs in the present difficult situation due to COVID-19 lockdown as well as support them in future in terms of finance, raw materials, labour, regulatory permissions. In February 2022, the ministry released the draft [National Policy for Micro, Small and Medium Enterprises in India](#), proposing multiple measures including credit support.

Kazakhstan: *Introduction of ESG Disclosure Reporting in AIFC* report lays out policy recommendations for AIFC's financial regulator (AFSA) and AIX in building the ESG framework based on the analysis of the current financial landscape. It recommends building internal capacity to monitor ESG disclosures by issuers, developing user-friendly ESG guidelines for AIFC and AIX participants and introducing ESG disclosure requirements in the short, medium and long-term.

In January 2021, the Ministry of Ecology, Geology and Natural Resources adopted the new [Environmental Code of the Republic of Kazakhstan](#), which contains definitions of green finance, green bonds, green loans, green projects and green taxonomy that AIFC introduced. At the same time, accompanying norms in the Entrepreneurial Code were approved, specifying measures of economic stimulation of businesses in the use of green loans and green bonds, particularly on subsidizing credit and coupon rates for the implementation of green projects. In October 2021, under the State Program for support of small and medium-sized entrepreneurship "Business Road Map-2025", financial support measures for businesses using green loans and green bonds were introduced. On 31 December 2021, the government adopted the Taxonomy of Green Projects to be Financed through Green Bonds and Green Loans (No. 996). In March 2021, the Kazakhstan Stock Exchange (KASE), introduced [requirements](#) for the issuers in its annual reports to disclose ESG aspects, developing [ESG reporting methodology](#) as part of its accession to the UN initiative Sustainable Stock Exchanges in 2016. On 11 January 2022, the president outlined the need to increase the attractiveness of Kazakhstan in the context of ESG requirements, the global energy and technological transition. In June 2022, AIX published the "AIX's Voluntary Disclosure Guidance for Environmental, Social and Governance (ESG) Reporting" and introduced a reference to this guidance in Market Disclosure Rules.

Mexico: *Climate and Environmental Risks and Opportunities in Mexico's Financial System - from Diagnosis to Action* report is a call to action particularly for CEOs and boards of directors of financial institutions. It recommends reinforcing internal policies, developing internal competencies to analyse environmental and climate-related risks and green finance market opportunities and incorporating physical and transition risks into their risk assessment and management strategies.

In 2020, in line with the main recommendations of the report, Banco de México proposed the creation of the [Sustainable Finance Committee](#) within the Financial System Stability Council. The committee has set out specific plans for its four working groups tasked with developing sustainable finance taxonomy, integrating climate and ESG risk factors in supervisory and financial market activities, improving sustainability disclosure and reporting and increasing sustainable capital mobilization. In addition, Banco de México and the committee are leading a financial education and capacity-building programme on the topic of ESG disclosures and climate risk analysis, targeting financial authorities and financial market participants. In December 2021, the Task Force on Climate-Related Financial Disclosures (TCFD) Mexico Consortium was officially launched, marking a noteworthy development to support the sustainable finance agenda.

Mongolia: *ESG and Sustainability Reporting Guidance for Mongolian Companies* report and [Disclosure Directive](#) were developed by the Financial Regulatory Commission (FRC) and Mongolian Stock Exchange (MSE) to improve disclosure and transparency of existing and future listed companies and issuers. It provides an eight-step outline of how listed companies in Mongolia can build the capacity to report on sustainability. The Disclosure Directive aligned with the Guidance asks companies to disclose their ESG performance against a set of indicators starting from 2024 on a voluntary basis.

Mongolia developed a sustainable capital markets roadmap and is about to revise and implement a disclosure rule. In April 2022, the *ESG Disclosure & Sustainability Reporting Guidance for Mongolian Companies* was published and endorsed by the Financial Regulatory Commission during an "IPO event" organized by FRC. The FRC is also willing to continue to engage in the next steps of the project including the dissemination of the guideline among companies and capacity building for issuers. Recognizing the importance of sustainable finance, the Monetary Policy Guidelines for 2022 defined sustainable finance as one of its strategic priorities requiring the development and approval of a National Sustainable Finance Strategy.

Nigeria: *Nigeria Green Tagging Banking Review* report offers guidance on developing a robust monitoring and disclosure framework for financial institutions to accurately and transparently report their financial footprint to the central bank and other financial regulators. It provides recommendations for scaling green bond issuance and proposes a reporting framework for financial institutions to report on green financing.

In January 2017, the Green Bond Advisory Group was set up by the Ministry of Environment and Finance to drive Nigeria's ambition to launch its inaugural sovereign green bond and had its first meeting. In March 2017, NGX launched its Green Bond Market Development Programme aimed at galvanizing key stakeholders to develop innovative financial solutions to meet Nigeria's climate mitigation and adaptation targets, for which the roadmap is capitalizing on. In December, same year, the inaugural sovereign green bond was issued, being the first African nation to be certified by the Climate Bonds Standard.

In May 2021, Nigerian Securities and Exchange Commission (SEC) adopted the [Nigerian Sustainable Finance Principles \(NSFP\)](#) developed by the Financial Services Regulation Coordinating Committee (FSRCC) for the capital market, to stimulate a resilient, competitive and sustainable market that promotes development and improves the quality of life for all, while boosting corporate governance practices to ensure that the participants in the market operate in a transparent and sustainable manner. Following the [launch](#) of the *Green Banking Tagging Review*, the Central Bank of Nigeria started a dialogue with 3 commercial banks on developing a Guidance on Climate Related Risk Management.

Outcome 2: Building international consensus on best practices (e.g. policies, regulations, standards and norms) to green the financial system

In October 2021, the G20 communique highlighted that G20 Leaders agree on the importance of a more systemic analysis of macroeconomic risks coming from climate change a wider range of fiscal, market and regulatory tools needed beyond just carbon pricing. There is important signal on the need for an international framework for taxonomies, as evidenced by the G20 roadmap on sustainable finance. On November 2021, the EU-China Common Ground Taxonomy was released, expecting to improve the comparability and interoperability of global sustainable finance standards. This agreement on classifying economic activities will be instrumental in worldwide taxonomies harmonization and standardization.

The German G7 2022 presidency has made coordinate and ambitious climate action its central priority with the objective to shape the transformation process in the context of climate neutrality. Under its G7 presidency, the German government made carbon pricing one of the top priorities.

In March 2022, the International Sustainability Standards Board delivered proposals that create comprehensive global baseline of sustainability disclosures.

The six roadmaps fit the narrative of [G20 Sustainable Finance Report](#) released in October 2022: (1) Developing a framework for transition finance – related country work: Nigeria, China, Mexico. (2) Scaling up sustainable finance instruments with a focus on improving accessibility and affordability – related country work: India, Kazakhstan, Mongolia, Nigeria. (3) Discussing policy levers that incentivize financing and investment to support the transition – related country work: China, Kazakhstan, Mexico, Mongolia, India.

Outcome 3: Increased commitment by infrastructure planners and policymakers to the sustainable infrastructure principles

The International Good Practice Principles for Sustainable Infrastructure, developed by the project's Sustainable Infrastructure Working Group, were launched in February 2021 at UNEA 5.1. In October 2021 the principles were officially endorsed by the UN Environment Management Group, and in March 2022 they were recognized as an important guideline for implementing sustainable infrastructure by 193 UN Member States in a UNEA-5 resolution on sustainable and resilient infrastructure that was unanimously adopted by the Assembly. In addition, UNEP is also directly supporting the governments of Chile, Costa Rica, Ghana, Mongolia, Rwanda, South Africa, and Thailand in the application of the principles to infrastructure planning and investment and is providing support to many additional countries through regional and global capacity building programmes.

Finally, at the 2022 Environment for Europe (EfE) Ministerial conference, with UNEP support, countries of the region made 40 voluntary commitments related to implementing sustainable infrastructure, which was one of the themes of the conference.

Rating towards outputs:

Component 1:

Kazakhstan: the country work has been completed as of November 24, 2021 (Deliverable 1.2.2). The country work ('Design of an ESG reporting framework for AIFC') includes the Astana International Exchange's

voluntary disclosure guidance for environmental, social and governance (ESG) reporting; EY ESG Survey for AIFC members and AIX listed companies and the final report with policy recommendations – introduction of ESG disclosure reporting in AIFC. This sustainable finance roadmap was produced as part of the project Introduction of ESG disclosure reporting in AIFC: Design of an ESG reporting framework. The project's central aims have been to i) recommend appropriate type of ESG disclosure reporting with samples and/or guidelines for the AIFC participants and Astana International Exchange (AIX) listed companies; ii) identify acts, rules, and regulations to be amended for recommended introduction/development of new acts, rules and regulations; and iii) implement capacity building of AIX and AFSA in area of ESG reporting. This report (stage 2) is developed on the basis of the analysis of the current financial landscape (stage 1), featuring policy recommendations which are to be applied upon latter stages of the project (stage 3).

India: the country work has been completed by Development Alternatives as of December 8, 2021 (Deliverable 1.2.4). The country work is a 'Country Strategy for Green Inclusive Micro Enterprises Financing in India'. Country Strategy for Green Inclusive Micro Enterprises Financing *highlights access to capital on reasonable financing terms as one of the primary barriers to micro enterprises driving sustainability in India*. In this context, financial support to MEs, one of the highest priorities for a just transition to a low carbon, green and inclusive economy, needs an integrated approach to drive systemic change by bringing financial policymakers, regulators, public and private financial intermediaries together. The reports suggest two means to make systemic change: Digital Transformation and Innovative Finance Models.

Mongolia: the country work has been completed as of December 8, 2021 (Deliverable 1.2.4). The country work includes a Sustainability Reporting Guidance for Mongolian Companies and a Sustainable Capital Markets Roadmap for Mongolian Stock Exchange. In May 2022, the Financial Regulatory Commission endorsed the Guidelines on Corporate Sustainability Reporting. ESG & Sustainability Reporting Guidance for Mongolian Companies was developed as part of the Mongolia Stock Exchange (MSE)'s broader effort to improve disclosure and transparency of existing and future listed companies and issuers. It accompanies sustainability disclosure directives introduced by the Financial Regulatory Commission (FRC) in 2022. The guidance provides a wide overview of global sustainability reporting frameworks and trends, followed by an 8-step outline of how listed companies in Mongolia can build the capacity to report on sustainability. An extensive list of indicators that companies can adopt to disclose their sustainability is also included.

China: *Environmental Disclosure in the Banking Sector of China: Practices and Experience* puts forward recommendations in order to help the banking industry better disclose environmental information and to build a complete value chain for the data. The report recommends mandatory environmental and climate information disclosure, improving green finance standards, incorporating innovative tools into green finance – such as transition finance – and fix misaligned incentives and regulations to better support green investments.

Mexico: *Climate and Environmental Risks and Opportunities in Mexico's Financial System from Diagnosis to Action* represents a significant effort to incorporate environmental and social risks into mainstream risk strategies of Mexican financial institutions and capitalize on the market opportunities that will result from the transition to a low-carbon economy. The study evaluates the evolving governance architecture adopted so far by financial institutions in Mexico to integrate environmental and social risks into their mainstream management risk strategies, while also looking at the tools and capabilities used to address these risks. This diagnosis is expected to raise awareness at the senior level on the underlying risks they face and the opportunities from climate and environmental impacts, in the context of international discussions about the fiduciary duty of financial organizations.

Nigeria: Nigeria Green Tagging Banking Review seeks to develop a robust monitoring and disclosure framework for financial institutions to accurately and transparently report their financial footprint to the Nigerian Central Bank and other financial regulators. This roadmap is underpinned by a Green Tagging Pilot Project undertaken by Climate Bonds Initiative to assess the brown and green asset exposure of three Nigerian banks. Based on this analysis, the roadmap offers recommendations for scaling green bond issuance and proposes a Reporting Framework for Financial Institutions to Report on Green Financing.

The Sustainable Finance Diagnostic Toolkit has been launched in September 2022 and it is available online through the Aligning Finance Policies website at the Green Finance Platform.

Component 2:

A sustainable finance dedicated discussion (984 members as of December 2022) has been created and facilitated on the GGKP's Green Forum by the Green Finance Platform by regularly informing on best practices and news on sustainable finance.

Multiple dialogue events ([Deliverable 2.1.2](#)) were held at different meetings given COVID-19 restrictions and additional events in 2022 includes:

- 66th session of the Commission on the Status of Women (14 to 24 March 2022)
- EU Vocational Skills Week (16-20 May 2022)
- 1st Green finance-Regional Forum 2022 at the Government House in Ulaanbaatar, Mongolia (March 29-30th, 2022)
- Roundtable for Climate Finance Acceleration in Nigeria (15 June 2022)

Workshops were held as part of the Project Steering Committee in July 2021 and November 2021, with lessons-learned and knowledge sharing sessions by the 6 countries ([Deliverable 2.2.1](#))

The Global Learning Platform ('Green Finance Platform') is maintained as a live process. The Platform maps methods and standards relevant to embedding environmental considerations into financial system development and assessment ([Deliverable 2.3.1](#)) [see GFP>Knowledge>tools& platform and guidance].

The GEF "Aligning Finance Policies" ([Deliverable 2.3.2](#)) has been launched in January 2022. In December 2021 and December 2022 the Green Finance Measures Database was updated. New figures in 2022 showed that there are 784 national and sub-national policy and regulatory measures on green finance across 109 countries. The communication on those new figures was made in coordination with the GEF communication teams.

Component 3

Outputs 3.1 (launch of the Sustainable Infrastructure Working Group), 3.2 (Sustainable infrastructure investment principles) and 3.3 (large infrastructure investment mapping) were completed during previous reporting period.

During the current reporting period, Output 3.4 (estimation of the environmental impacts of the mapped infrastructure) was completed with the launch of the global impact assessment report in December 2022. Output 3.6 (the measurement framework to track performance against Working Group principles) was also completed, although the publication of the pilot measurement framework was not approved by the UNEP Publications Board due to changes to UNEP's publication policy and a desire to drastically reduce the number of UNEP publications. However, the project team is still exploring alternative options for dissemination, including making it available as a working paper and dissemination at relevant events, such as in a March 2023 expert group meeting that UNEP will participate in for review of SDG 9 in preparation for the 2023 High Level Political Forum on Sustainable Development (HLPF).

Implementation of project activities under Output 3.5 (identification on infrastructure investment with set of sustainable investment criteria and environmental impacts modelling) has continued to experience challenges due to lack of capacity and poor communication from the implementing partner (IP). The project team reviewed and commented on two drafts of the final report, and is actively following with the IP for the final report, which has not yet been provided.

Overall risk rating:

Components 1 and 2:

One of the main risks identified was the closure of the Inquiry into the Design of a Sustainable Financial System. The GEF project was moved back to the Economy Division of UNEP where a number of workstreams, including the Green Economy team, UNEP FI and PAGE exist. The remaining work was handed over to GGKP which has capitalized its extensive network of 37 knowledge partners, including leading financial think tanks.

With the pandemic outbreak, measures to combat the spread of COVID-19 have impacted the project as well. The risk delayed the development of the Nigeria, India and Mongolia sustainable finance roadmaps, but all three were delivered by the end of 2022. A dedicated communications and outreach strategy was developed and while the in-person meetings did not take place, the virtual outreach was systematic and targeted,

particularly through a strong group of partners with many engagements at events, webinars, bilateral, task forces and country engagement.

Component 3:

The main risk to Component 3 has been the implementation of project activities in Mongolia. Implementation was already behind schedule because of administrative delays and staff shortages due to COVID in 2021, and the project team has struggled with communication and capacity challenges with the IP, causing further delays. The project team finally received the report from the Mongolian partner in July 2023.

There is also a more general risk related to lack of political commitment to sustainable infrastructure, such that the extent to which the sustainable infrastructure principles and country-specific measures (in this case in Mongolia and Ghana) are adopted and implemented is uncertain and ultimately out of the project's control. The uncertainty was heightened because of the COVID-19 crisis, which has affecting governments' priorities in different ways. While there are indications that "green recoveries" are a priority for many countries, only around 30% of recovery spending to-date has been allocated to sustainable investments. Helping countries to change this is a priority not only for this project, but for UNEP as a whole, and the organization and its partners are committing resources accordingly. Recognition of the *International Good Practice Guidance Principles for Sustainable Infrastructure* by the 193 UN Member States was a positive development and signals strong high-level commitment, but further country support—which is outside the scope of this project—is needed to help countries implement the principles.

[section will be uploaded into the GEF Portal]

2.4. Co-financing

<p>Planned Co-finance Total: Inquiry/UNEP FI: US\$ 2,633,625</p> <p>EFP Unit: US\$ 611,375</p> <p>Actual to date: Inquiry / UNEP FI / GGKP: US\$ 1,331,334 ≈ 50% (as at 31 December 2022)</p> <p>EFP-Unit: US\$ 916,628 ≈150% (as at 31 December 2022)</p>	<p>Components 1 & 2:</p> <p>There was no additional co-financing mobilized by GGKP during the period under review.</p> <p>Component 3:</p> <p>No new co-financing was mobilized by the ETP Unit during the reporting period.</p>
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2.5. Stakeholder engagement

<p>Stakeholder engagement</p>	<p>Components 1 & 2:</p> <p>In November 2021, the GGKP's Green Forum Sustainable Finance discussion (984 members as of December 2022) has been officially dedicated to the project, so that country stakeholders have a community space to share their knowledge and experience on how to incorporate sustainability factors into the rules that govern banking, insurance, institutional investment, and capital markets. The discussion is complementary to the GEF Aligning Finance Policies initiative page hosted on the Green Finance Platform that focus on the following activities:</p>
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	<ul style="list-style-type: none"> • Provide a basis for countries to share experience in seeking to develop ambitious and effective national roadmaps for sustainable finance. • Encourage collaborative approaches to specific national initiatives, drawing the best from international cooperation opportunities and mitigating potential overlap and unnecessary competition. • Contribute to international cooperation efforts on sustainable finance through knowledge and direct participation. <p>In November 2021, the Green Finance Platform released a communication strategy outlining stakeholder engagement action plan (Deliverable 2.1.4) This includes key partners for international dialogue to strengthen connections and coordination efforts within the international sustainable finance ecosystem. In November 2022, the Green Finance Platform expanded to represent an ecosystem of 37 knowledge partners, that includes leading financial think tanks.</p> <p>In September 2022, The Sustainable Finance Diagnostic Toolkit has been co-developed by the Green Finance Platform and UNDP Financial Centres for Sustainability (FC4S) based on the research and assessment conducted by the UNEP Inquiry into the Design of a Sustainable Financial System and the UNDP Financial Centres for Sustainability.</p> <p>Three webinars were hosted in 2022 in partnership with multiple organizations, including Climate Transition Limited, Financial Centre for Sustainability (FC4S) Lagos, IFC, EBRD, Climate Investment Funds and Central Banks.</p> <p>Component 3:</p> <p>During the reporting period, UNEP supported UNECE and pan-European Member States in the preparations for the Environment for Europe (EFE) Ministerial Conference, which was held in October 2022 in Cyprus, where sustainable infrastructure was one of the two conference themes. Specifically, UNEP supported the development of relevant background papers and the Pan-European assessment, as well as providing guidance on voluntary commitments that countries could make to contribute to the implementation of the <i>International Good Practice Guidance Principles for Sustainable Infrastructure</i> and hosted a side event at the conference of financing nature-based infrastructure. In total, Member States made 40 commitments on actions to support sustainable and resilient infrastructure.</p> <p>Stakeholder engagement around the Principles also included a regional week-long training course on sustainable infrastructure for government stakeholders from Latin America, and two workshops on gender responsive infrastructure, one each in Cote D'Ivoire and Zambia. In addition, UNEP worked with the Government of Chile to conduct an enabling environment assessment and barrier analysis for sustainable infrastructure that is being used by the Ministry of Public Works to inform the development of its Infrastructure Master Plan. The process also contributed to the development of a checklist tool for assessing policy alignment with the Principles.</p> <p>For the global impact mapping and the development of the measurement framework, stakeholders were engaged through a report launch presentation at the CBD COP 15 in Montreal.</p> <p>[section will be uploaded into the GEF Portal]</p>
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2.6. Gender

Gender mainstreaming	<p>Components 1 & 2:</p> <p>On 15 March 2022, the Green Finance Platform organized a webinar on "Gender-responsive sustainable finance: towards inclusive market economies" as an Official Side Event for the 66th session of the Commission on the Status of Women. The webinar included the following speakers: Nina Kolybashkina,</p>
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	<p>Senior Social Development Specialist, Climate Investment Funds; Marcos Neto, Director, UNDP Finance Sector Hub; Denise Odaro, Head of Investor Relations, IFC; Barbara Rambousek, Director, Gender and Economic Inclusion, EBRD; Dr Mamiko Yokoi-Arai, Deputy Head of Financial Markets Division & Head of Infrastructure and Alternative Financing Unit, OECD.</p> <p>As part of its deliverables, Mongolia issued an ESG Indicator Framework that offers guidance on how to incorporate assessments of companies' gender diversity and equity. In particular, it follows GRI guidance on how to embed gender in sustainability reporting.</p> <p>In its 'Introduction of ESG disclosure reporting in AIFC' Kazakhstan recommends encouraging disclosure of board member diversity and, in the long-term to consider introducing gender ratio targets (see Policy updates are suggested to AIFC Market rules).</p> <p>Gender mainstreaming is also part of the communication and outreach strategy (deliverable 2.1.4).</p> <p>The Green Finance Platform, which serves as the global learning platform, and its Green Finance Measures Database includes a gender filter where users can find green finance policies and regulations that have gender focus and identify how to use sustainable finance to finance projects and strategies that advance gender equality. The Green Finance Platform is also represented in the GGKP Gender Expert Group.</p> <p>Component 3:</p> <p>As reported in previous periods, the sustainable infrastructure principles include guidance on incorporating gender into infrastructure decision-making, and gender issues have also been discussed during project outreach events and stakeholder consultation meetings. For example, two workshops on gender responsive infrastructure, one each in Cote D'Ivoire and Zambia were held during the reporting period.</p> <p>In addition, the project continued to strive for gender balanced participation in project-related events and activities. For the regional capacity building course in Latin America, the gender balance target was achieved, with 52% of participants being female.</p> <p>[section will be uploaded into the GEF Portal]</p>
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2.7. Environmental and social safeguards management

Environmental and social safeguards management	<p>The safeguard risks identified in the CEO Endorsement document were all rated low, which will remain for at least 48 months after project implementation.</p> <p>[section will be uploaded into the GEF Portal]</p>
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2.8. Knowledge management

Knowledge activities and products	<p>Components 1 & 2:</p> <p>The cumulative number of knowledge products available through the Green Finance Platform (Global Learning Platform) as of December 2022 is 2,831 and includes: i) Case Studies - 110; ii) Learning products – 608 (302 webinars, 85 tools and platforms, 150 guidance, 47 courses, and 24 multimedia); iii) Projects – 4; iv) Research – 1,834; v) National documents – 10; vi) News and Blogs (265)</p> <p>Component 3:</p> <p>During the reporting period, the global database of planned road and rail investments and mapping of their environmental risks vs. potential economic and social benefits was published in a report and made available in an online data</p>
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	<p>viewer. The UNEP-GIZ Sustainable Infrastructure Tool Navigator site was also updated to a new case study module, initially populated with 6 new case studies, and UNEP produced video versions of 3 already-published case studies.</p> <p>[section will be uploaded into the GEF Portal]</p>
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2.9. Stories to be shared

Stories to be shared	<p>Components 1 & 2:</p> <p>The six roadmaps provide good example of public-private collaboration in the policy and regulatory process of sustainable finance to ensure their effectiveness.</p> <p>The implementation work from Mongolia could provide some interesting stories on sustainable finance progress. As mentioned above, the Sustainability Reporting Guidance for Mongolian Companies was developed through inter-agency coordination and partnership with international financial institutions, between FRC, MSE, MSFA, International Finance Corporation (IFC), UNDP FC4S, UNEP, UNDP and United Nations (UN) Resident Mission in Mongolia, with support from the Global Environment Facility (GEF) and UN Joint SDG Fund.</p> <p>Under the Mexico's project, there was a formal launch of the Task Force on Climate-Related Financial Disclosures (TCFD) Mexico Consortium in 2021, Inspired by the success of the TCFD Consortium in Japan, this private sector initiative aims to promote adoption of TCFD recommendations by raising awareness among financial and non-financial organizations, as well as through dialogue with information users.</p> <p>Following the launch of the Green banking Tagging Review in early 2022 which offers guidance on developing a robust monitoring and disclosure framework for financial institutions, the Central Bank of Nigeria started dialogues with three commercial banks on developing Guidance on Climate-Related Risk Management, replicating Kenya's best practice.</p> <p>Component 3:</p> <p>The announcement of 40 voluntary commitments on sustainable infrastructure by European Member States at the 2023 EfE Conference was informed by the SI Principles and can be considered an impact of this project.</p> <p>[section to be shared with communication division/ GEF communication]</p>
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3. PROJECT PERFORMANCE AND RISK

Based on inputs by the Project Manager, the UNEP Task Manager will make an overall assessment and provide ratings of:

Progress towards achieving the project Results(s)- see section 3.1

Implementation progress – see section 3.2

Section 3.3 on Risk should be first completed by the Project Manager. The UNEP Task Manager will then enter his/her own ratings in the appropriate column.\

3.1 Rating of progress towards achieving the project outcomes

Project objective and Outcomes	Indicator	Baseline level	End-of-project target	Summary by the EA of attainment of the indicator & target as of 31 December 2022	Progress rating ⁷
Objective: Build international consensus to align financial systems with sustainable development goals and catalyse national regulatory actions and regional sustainable infrastructure investments	Indicator A: US\$ # of investment stemming directly from the recommendations of the national Roadmaps and the Sustainable Infrastructure Working Group	Baseline A: US\$ 0	Target A: US\$ 62 million ⁸ (within 5 years of project-end)	<p>Components 1 and 2: US\$ 691 million, of which US\$ 681 million in China</p> <p>China: The <i>Environmental disclosure in the banking sector of China</i> report provides a number of policy recommendations for China's financial stakeholders to improve disclosure. In China, the green assets classification criterion has been one of the key drivers to strengthening environmental disclosure of Chinese bank, which played an essential role in expanding green investment. In advocating for robust disclosure, the roadmap is contributing to an efficient market reaction to climate change risks, thus increasing the amount of capital towards green assets. The total balance of green loans is growing as a share of the overall credit balance, expanding from 8.8% in 2013 to 10.4% at the end of 2019, to reach a cumulative total of over RMB 10.6 trillion (USD 1.5 trillion), which is align with increase disclosure regulations. In the first half of 2022, RMB 3.53 trillion of green loans were added to the outstanding amount of RMB 16.02 trillion (US\$ 2.361 trillion) at the end of 2021, representing 44% CAGR, in line with previous period's 40.4%. Assuming, for outstanding green loans: a) US\$ 2.361 trillion "principal" at end of 2021, b) 40% compound annual growth rate to principal, c) contribution factor of 0.001% in 2022, increasing by 0.001% each year, and d) multiplying growth amount to contribution factor for each year beginning in 2022: the estimate for investment attributable to the project by 2027 is US\$ 681 million.</p> <p>India: The roadmap mentions green bonds as a financial mechanism to promote green investments and make new technology competitive. With US\$ 6.11 billion of green bonds issued in the first 11 months of 2021, India saw the largest annual issued volume since the first issuance in 2015. With the announcement to issue the first sovereign green bonds the volumes are expected to grow exponentially. The first sovereign bond issuance is</p>	S

⁷ Use GEF Secretariat required six-point scale system: Highly Satisfactory (HS), Satisfactory (S), Marginally Satisfactory (MS), Marginally Unsatisfactory (MU), Unsatisfactory (U), and Highly Unsatisfactory (HU).

⁸ Figure derived as follows: US\$ 2 million of government budget and/or private-sector investment (e.g. in green debt or equity instruments) in each of the 6 target countries (Component 1); US\$ 25 million of investment in the Mongolia infrastructure investment project (Component 3); and US\$ 25 million of investments greened through the sustainable infrastructure working group's engagement with stakeholders (Component 3). The total figure of US\$ 62 million is considered to be highly conservative but captures the uncertainty associated with the global infrastructure development and the speed at which related investments will ramp-up.

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Project objective and Outcomes	Indicator	Baseline level	End-of-project target	Summary by the EA of attainment of the indicator & target as of 31 December 2022	Progress rating ⁷
				<p>announced for January and February 2023, with a total combined value of US\$ 1.9 billion. The total value of projects identified so far for sovereign bond issuance is US\$ 4.92 billion, indicating future opportunities for additional issuance in the amount of 162% of announced issuance. Given the roadmap's direct relevance to green bonds, the roadmap is expected to have a significant influence on the bond issuance.</p> <p>Assuming, for sovereign green bonds, a) US\$ 1.9 billion "principal" in 2023, b) 60% compound annual growth rate to principal, c) contribution factor of 0.006% in 2023, increasing by 0.004% each year, d) multiplying growth amount to contribution factor for each year beginning in 2023: the estimate for investments attributable to the project by 2027 is US\$ 1.9 million</p> <p>Kazakhstan: In 2021, AIFC introduced the definitions of green finance, green bonds, green loans, green projects, and green taxonomy in the new Environmental Code of the Republic of Kazakhstan. At the same time, accompanying norms in the Entrepreneurial Code were approved, specifying measures of economic stimulation of businesses in the use of green loans and green bonds, in particular, on subsidising credit and coupon rates for the implementation of green projects. The volume of green and social bonds issued on the Astana Stock Exchange (AIX) amounted to USD 90 mln (38.6 bn tenge) by the end of 2021. The first green bond issue mentioned above had catalysed the formation the sustainable bond market (including both AIX and Kazakhstan Stock Exchange), which stood at over 110.4 billion tenge (US\$ 250 million) at the end of 2021, with US\$ 210 million issued in 2021. Meanwhile, the total volume of labelled green loans reached 28.5 billion tenge (US\$ 66 million). An additional bond of 14.1 billion tenge (US\$ 35 million) was issued in 2022, or 11.4% of existing sustainable bonds amount. Given the project's significant contribution to the definition and issuance of green finance, an initial contribution factor of 1.00 % is assumed.</p> <p>Assuming a) US\$ 250 million "principal" in 2021, b) 11% compound annual growth rate to principal, c) contribution factor of 1.00% in 2021, increasing by 0.050% each year, d) multiplying growth amount to contribution factor for each year beginning in 2021: the estimate for investments attributable to the project by 2027 is US\$ 2.2 million</p> <p>Mexico: Policy recommendation includes the issuance of green bonds. Mexico has been a repeat issuer, with its first sovereign sustainability bond issued in 2020 standing at US\$ 0.9 billion in late 2020. By late 2021, the total balance increased to US\$ 2.64 billion. In 2022, at least US\$ 4 billion worth of green bonds were issued by the Mexican government and its state-owned enterprise(s).</p> <p>Assuming a) US\$ 2.64 billion "principal" in 2021, b) 45% compound annual growth rate to principal, c) contribution factor of 0.005%, increasing by 0.005% each year, d) multiplying growth amount to contribution factor for each year</p>	

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Project objective and Outcomes	Indicator	Baseline level	End-of-project target	Summary by the EA of attainment of the indicator & target as of 31 December 2022	Progress rating ⁷
				<p>beginning in 2021: the estimate for investments attributable to the project by 2027 is US\$ 5 million</p> <p>Mongolia: Since 2013, banks have been working in collaboration under the Mongolian Sustainable Finance (MSF) Initiative, a voluntary, market-led project aimed at integrating environmental and social considerations in lending and investment activities. In 2018, Mongolia introduced its National Sustainable Finance Roadmap up to 2030, which marks a vast reform agenda in the financial system to embed sustainable finance beyond banking, in insurance, capital markets and institutional investors. While no sizable green bonds have been issued yet, an estimate of US\$ 2 billion by 2027 is used. This amount is equal to 1% of GDP per year (with total government debt rising approximately by 4% of GDP per year), for 2023-2027, against GDP of US\$ 40 billion in 2022. With an average annual multiplier of 0.030% (same as mitigation multiplier), the estimate for investments attributable to the project by 2027 is US\$ 600,000.</p> <p>Nigeria: Policy recommendation includes the issuance of green bonds and increase the issuance of green loans. In 2020, Access Bank issued a N15 billion green bond and the first-ever CBI-certified corporate green bond in Africa. Regarding the banking sector, following the increase in the loan-to-deposit ratio (LDR) of commercial banks to 65 per cent, lending in the banking system has increased. At least N9.3 billion (USD 20 million) green bonds were additionally issued in 2021, or 62% increase to outstanding green bond balance. Assuming a) US\$ 106 million "principal" in 2021, b) 40% compound annual growth rate to principal, c) contribution factor of 0.004%, increasing by 0.004% each year, d) multiplying growth amount to contribution factor for each year beginning in 2021: the estimate for investments attributable to the project by 2027 is US\$ 246,000.</p> <p>Component 3: Based on conservative estimates, Component 3 is expected to result \$95 million being invested in sustainable and resilient infrastructure projects within 5 years of project completion.</p>	
	Indicator B: Direct amount GHG emissions mitigated	Baseline B: 0 tCO _{2eq}	Target B: 3,113,863 tCO _{2eq} ⁹ (by 2030)	<p>Components 1 & 2: Target of 2,855,875 tCO_{2e} mitigated expected to be met by 2031 (detailed table and explanation of estimate in Section 2.2)</p> <p>China: The environmental impact achieved by Industrial and Commercial Bank of China's green credit portfolio is measured through a range of indicators as recommended by China's banking regulatory commission, the Environmental disclosure in the banking sector of China report. For instance, ICBC's self-reporting shows that its green credit portfolio has reduced nearly 90 million tons</p>	S

⁹ Of which 2,855,875 tCO_{2eq} from the National Sustainable Finance Roadmaps (Component 1 & 2) and 257,988 tCO_{2eq} from the Infrastructure investment (Component 3)

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Project objective and Outcomes	Indicator	Baseline level	End-of-project target	Summary by the EA of attainment of the indicator & target as of 31 December 2022	Progress rating ⁷
				<p>of CO2 emissions by 2018. The roadmap puts forward recommendations in order to help the banking industry better disclose environmental information and to build a complete value chain for the data linked to emissions reduction. The green loans in 2020 contributed to emission reductions equivalent to 85,246,300 tons of CO2.</p> <p>Kazakhstan: The ESG reporting guidelines as a focus on clean energy. In a space of six years, Kazakhstan has increased its renewable energy capacity sixfold, to around 2,000 megawatts in 2021, which means Kazakhstan is well underway to reaching a 15 percent share of renewables in energy generation by 2030.</p> <p>India: roadmap focuses on hard-to-decarbonize industries with MEs financial support to transition their manufacturing plants, having in mind the new pledge of net-zero emissions by 2070.</p> <p>Mexico: the roadmap recommends assessing the financing requirements of the economic activities with the highest potential to reduce carbon emissions in Mexico and develop specific recommendations to finance them and reduce transition costs. Mexico has pledged to reduce its greenhouse gas emissions by 22% below baseline in 2030.</p> <p>Mongolia: target of achieving a 27.2% reduction in total national greenhouse gas (GHG) emissions. Under the roadmap, the guidance for companies recommends emissions indicators (using GHG Protocol methodology).</p> <p>Nigeria: the objective of the Green Tagging Pilot was to gain an understanding of banking portfolio exposure to high emissions and increase the levels of green lending. The roadmap advocated for effective non-financial disclosure, which should raise the cost of capital for climate-risky assets, in turn reallocate financial flows towards green assets, ultimately reducing GHG emissions. The government has set climate targets to unconditionally reduce emissions by 20% by 2030 below business as usual or 45% by 2030 conditional on international support.</p> <p>Component 3: Based on conservative estimates, Component 3 is expected to result 887,697 tCO_{2eq} of GHG being mitigated by 2030.</p>	
Outcome 1: Governments agree to develop, implement and measure the impact of one or more recommendations from their country roadmaps	Indicator 1: # of Sustainable Finance Roadmaps endorsed by the respective national governments, including the identification of at least 2 recommendations that the	Baseline 1: 0	Target 1: 6 Roadmaps endorsed (i.e. 1 per national government) and 12 recommendations identified that governments agree to implement (i.e. at least 2 per national government)	<p>6 roadmaps have been endorsed by the respective governments</p> <p>Each roadmap comes with agreed recommendations as they are integrated into the national finance frameworks.</p> <p>Mexico: following the Sustainable Finance Roadmap, <i>Climate and Environmental Risks and Opportunities in Mexico's Financial</i>, Banco de México proposed the creation of the Sustainable Finance Committee within the Financial System Stability Council in November 2021. The Committee is chaired by the Ministry of Finance and Banco de México acts as Secretariat. All Mexican financial authorities participate as members and the chairs of the main financial sector associations as observers. It has set out specific plans for its <u>four recommendations</u>. These groups have the following tasks: developing a sustainable finance taxonomy, integrating climate and Environmental, Social and</p>	S

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Project objective and Outcomes	Indicator	Baseline level	End-of-project target	Summary by the EA of attainment of the indicator & target as of 31 December 2022	Progress rating ⁷
	governments agree to implement		(by project-end)	<p>Governance (ESG) risk factors in supervisory and financial market activities, improving the amount and quality of disclosures and reporting by nonfinancial and financial institutions, and enabling conditions to increase sustainable capital mobilization.</p> <p>China: <i>Environmental Disclosure in the Banking Sector of China: Practices and Experience</i>, released in 2021 by the Beijing Institute of Finance and Sustainability with support from the Global Environment Facility (GEF), reviewed disclosure efforts by financial institutions in China with a particular focus on the banking sector. The report provides a number of policy recommendations for China's financial stakeholders to improve disclosure. This includes standardizing disclosure content and format, reinforcing the accuracy and credibility of data by incorporating third-party verification, and optimizing the use of data with improved feedback mechanisms from practitioners and data users. Following the report, China's Ministry of Ecology issued new disclosure rules in January 2022 that require listed companies and bond issuers to disclose a range of environmental information. The Rules follow efforts by other Chinese regulators intended to enhance the environmental disclosure landscape in China, including amendments requiring listed companies to disclose environmental administrative penalties and encouraging carbon emissions disclosures issued by the China Securities Regulatory Commission in July 2021.</p> <p>Mongolia: The objective of the Mongolian Sustainable Finance Roadmap (December 2021) is to agree on an integrated, multistakeholder, strategic approach towards accelerating the development of a sustainable financial system in the country by 2030 in alignment with the country's sustainable development and climate targets. The proposed Roadmap defines six pillars and 25 strategic actions that will help transition Mongolia's financial system into a sustainable one.</p> <p>In May 2022, the Financial Regulatory Commission endorsed the Guidelines on Corporate Sustainability Reporting. Recognizing the importance of sustainable finance, the Monetary Policy Guidelines for 2022 defined sustainable finance as one of its strategic priorities requiring the development and approval of a National Sustainable Finance Strategy.</p> <p>Kazakhstan: Starting in 2021, the Astana International Financial Center (AIFC) introduced a number of relevant sustainable finance initiatives, including the AIFC Statement of Commitment to Sustainable Finance Principles, ESG reporting framework for Astana International Exchange-listed companies, and launch of the Regional Chapter of Green Investment Principles for BRI in Central Asia. An important advantage of this ESG reporting framework project supported by UNEP is its perfect alignment with important policy developments in Kazakhstan. The Kazakhstan Stock Exchange (KASE), which joined the UN Sustainable Stock Exchanges Initiative and developed an ESG reporting methodology in 2018, introduced mandatory disclosure of major ESG aspects in early 2021. Meanwhile, a National Corporate Governance Code was adopted, which requires companies listed on KASE and government companies to make some ESG disclosures. In 2021, AIFC introduced definitions of green finance, green bonds, green loans, green projects and green taxonomy for the</p>	

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Project objective and Outcomes	Indicator	Baseline level	End-of-project target	Summary by the EA of attainment of the indicator & target as of 31 December 2022	Progress rating ⁷
				<p>Environmental Code of the Republic of Kazakhstan. At the same time, accompanying norms in the Entrepreneurial Code were approved, specifying measures of economic stimulation of businesses in the use of green loans and green bonds, in particular, on subsidizing credit and coupon rates for the implementation of green projects. In May 2022, AIX and the Agency of Kazakhstan for Regulation and Development of the Financial Market (ARDFM) started the consultation of the ESG Reporting Guidelines.</p> <p>India: As discussed in India's sustainable finance roadmap, <i>Country Strategy for Green Inclusive Micro Enterprises Financing (September 2021)</i>, financial support for micro-enterprises is key to India's just transition to a low carbon, green and inclusive economy. In February 2022, the MSME Ministry released the draft National Policy for Micro, Small and Medium Enterprises in India, proposing multiple measures including credit support, as outlined in the India's sustainable finance roadmap. One of the policy recommendations is to develop innovative products to help micro-entrepreneur access sustainable financing with ease. In June 2020, the Indian Ministry of Micro, Small & Medium Enterprises issued a note on information technology and launched a robust Information and Communications Technology (ICT) based Internet Grievances Monitoring System portal called 'Champions'.</p> <p>Nigeria: The <i>Nigeria Green Tagging Banking Review (February 2022)</i> supports a strong monitoring and disclosure framework that would allow financial institutions in the country to accurately and transparently report their financial footprint to financial regulators. Nigeria Medium-Term National Development Plan 2021-2025 states: Considering the goal of generating up to 1,000 MW of power from renewable energy sources, Nigeria will ensure appropriate policy and regulatory support, and build associated infrastructure to drive renewable energy generation, rural electrification expansion and the development of both isolated and interconnected mini-grid systems to serve various locations.</p>	
Outcome 2: Building international consensus on best practices (e.g. policies, regulations, standards and norms) to green the financial system	Indicator 2: # of official statements issued or communicated by the G7 or G20 (etc.) that explicitly promote greening the financial system in the specific context of supporting SDGs (Sustainable Development Goals)	Baseline 2: - 2 G20 Leaders Declarations - 2 G20 Finance Ministers and Central Bank Governors Communiqués - 2 G7 Leaders Declarations - 1 G7 Environment Ministers Communiqué	Target 2: - At least 2 additional Leaders Declarations (or equivalent) - At least 2 additional official Communiqués (e.g. at Minister or senior official level) (by project-end)	<p>On July 27 2021, the G20 Sustainable Finance Working Group said the Synthesis Report will discuss "improving the comparability, compatibility, and interoperability of approaches to align investments with sustainability goals", and that the multiyear G20 Roadmap on sustainable finance will focus on five key areas, including "market development and approaches to align investments to Sustainability Goals".</p> <p>G7 Finance Ministers and Central Bank Governors Communiqué, 5 June 2021: The communiqué notes the G7's support for "moving towards mandatory climate-related disclosures (...) based on the TCFD framework". On June 5th 2021, G7 Finance Ministers adopted language on sustainability reporting: focusing on the IFRS, legitimizing this institution as the reference point for developing global sustainability reporting standards.</p> <p>G7 Climate and Environment Ministers' Communiqué, 27 May 2022: 'underscore the importance of a predictable investment environment and clear public policies and strategies in facilitating the alignment of global and national financial flows with the SDGs: "We call upon Multilateral Development Banks (MDBs), bilateral Development Finance Institutions (DFIs), multilateral funds,</p>	S

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Project objective and Outcomes	Indicator	Baseline level	End-of-project target	Summary by the EA of attainment of the indicator & target as of 31 December 2022	Progress rating ⁷
				<p>public banks, and export credit agencies to ensure that financial flows from these institutions are aligned with the goals of the Paris Agreement and support the objectives of international biodiversity conventions including the Convention on Biological Diversity (CBD) and the post-2020 global biodiversity framework, by increasing finance for nature and climate, and leveraging further private capital, in particular for developing countries and emerging markets.”</p> <p>G20 Finance Ministers and Central Bank Governors Communiqué, 10 July 2021: “Quality data and comparable frameworks of disclosure are crucial for addressing climate-related financial risks and mobilising sustainable finance. “</p> <p>G20 Sustainable Finance Working Group, January 2022: “We recognize the importance of creating an enabling environment to help enable the financial market to meet the goals of the Paris Agreement and 2030 Agenda. Discussion on the range of policy levers that incentivize financing and investment that, would be key to support a just and affordable transition”.</p> <p>G7 Development Ministers, 18-19 May 2022, Berlin: We strongly call on MDBs, DFIs and multilateral funds to further strengthen their efforts to support ambitious climate and biodiversity action, including by setting corresponding adaptation finance targets, and by supporting countries in reforming fiscal, regulatory and macroeconomic policies to sustain a green Topic”.</p> <p>G7 Development Ministers’ Meeting Communiqué, 19 May 2022: In order to achieve a socio-ecological transformation, we will enhance our support to emerging economies and developing countries for the development of suitable policy environments for sustainable finance.</p> <p>G20 Finance Ministers and Central Bank Governors Meeting, 12-13 October 2022: “Globally consistent data are needed in order to effectively address climate-related financial risks (...) We welcome the FSB progress report on achieving consistent and comparable climate-related financial disclosures and the final report on supervisory and regulatory approaches to climate-related risks.”</p>	
Outcome 3: ¹⁰ Increased commitment by infrastructure planners and policymakers to the sustainable infrastructure principles	Indicator 3: # of principle sets adopted by the Sustainable Infrastructure Working Group for sustainable infrastructure	Baseline 3: 0	Target 3: 1 set of principles adopted, among which gender is explicitly included (by project-end)	<p>This indicator target was achieved in February 2021 when the <i>International Good Practice Principles for Sustainable Infrastructure</i> — which explicitly include gender dimensions of infrastructure — were finalized by the Sustainable Infrastructure Working Group and published. Since that time, the project team has been working to achieve wider uptake of the principles, and in October 2021 they were adopted by the UN Environment Management Group (EMG), which is a UN-wide interagency coordination body for environmental issues, in which member organizations and agencies are represented by their Senior Officials.</p> <p>In addition, in March 2022 they were recognized as an important guideline for implementing sustainable infrastructure by 193 UN Member States in a UNEA-5 resolution on sustainable and resilient infrastructure that was unanimously adopted by the Assembly. This is considered to represent broad high-level commitment by Member States.</p>	S

¹⁰ Outcome 3 and Indicator 3 wording has been slightly adjusted as per revision 1 of the Results Framework

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Project objective and Outcomes	Indicator	Baseline level	End-of-project target	Summary by the EA of attainment of the indicator & target as of 31 December 2022	Progress rating ⁷
				Finally, at the 2022 Environment for Europe Ministerial conference (EfE), Member states announced 40 voluntary commitments related to sustainable infrastructure; this process was supported by UNEP and informed by the SI Principles.	

3.2 Rating of progress implementation towards delivery of outputs

Outputs/Deliverables ¹¹	Expected delivery date ¹²	Implementation status as of 30 June 2022 (%)	Implementation status as of 31 Dec. 2022 (%)	Progress rating justification ¹³ , description of challenges faced and explanations for any delay	Progress rating ¹⁴
COMPONENT 1 - CATALYSE NATIONAL ACTION					
Output 1.1: Tools to assess and measure progress in shaping national financial system and allow benchmarking across countries are developed	July 2022	92%	100%	Development of Roadmap Development Tool, Performance Tool and the digitized version of the Diagnostic Toolkit have been completed.	S
Deliverable 1.1.1: Development of Roadmap Development Tool (template, methodology, user guide)	Jan. 2021	100%	100%	Completed during the previous reporting period.	S
Deliverable 1.1.2: Peer review of Roadmap Development Tool by 6 participating countries	May 2020	100%	100%	Completed during the previous reporting period.	S
Deliverable 1.1.3: Peer review of Roadmap Development Tool by expert community, specifically including gender experts	July 2020	100%	100%	Completed during the previous reporting period.	S
Deliverable 1.1.4: Finalisation and publication of Roadmap Development Tool following application and peer review	Feb. 2021	100%	100%	Completed during the previous reporting period.	S
Deliverable 1.1.5: Development of Performance Tool (template, methodology, user guide)	Dec. 2020	100%	100%	Completed during the previous reporting period.	S
Deliverable 1.1.6: Peer review of Performance Tool by 6 participating countries	June 2020	100%	100%	Completed during the previous reporting period.	S
Deliverable 1.1.7: Peer review of Performance Tool by expert community, specifically including gender experts	Oct. 2020	100%	100%	Completed during the previous reporting period.	S
Deliverable 1.1.8: Finalisation and publication of Performance Tool following application and peer review	Jan. 2021	100%	100%	Completed during the previous reporting period.	S
Deliverable 1.1.9: Digitizing the Diagnostic Toolkit and making it accessible on the Green Finance Platform [NEW]	July 2022	30%	100%	The Sustainable Finance Diagnostic Toolkit has been launched in September 2022 and it is available online through the Aligning Finance Policies website at the Green Finance Platform.	S
Output 1.2: Six partial or complete country roadmaps are drafted	July 2021	100%	100%	The six country roadmaps have been completed.	S

¹¹ Outputs and or deliverables as described in the project logframe (and workplan) or in any updated project revision.

¹² As per workplan Revision 2 for Components 1 & 2. As per workplan Revision 3 for Component 3.

¹³ As much as possible, describe in terms of immediate gains to target groups, e.g. access to project deliverables, participation in receiving services; gains in knowledge, etc.

¹⁴ To be provided by the UNEP Task Manager

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Outputs/Deliverables ¹¹	Expected delivery date ¹²	Implement-ation status as of 30 June 2022 (%)	Implement-ation status as of 31 Dec. 2022 (%)	Progress rating justification ¹³ , description of challenges faced and explanations for any delay	Progress rating ¹⁴
Deliverable 1.2.1: Application of Roadmap Development Tool to 2 countries with pre-existing, partial Roadmaps (China, Kazakhstan)	June 2021	100%	100%	Completed during the previous reporting period.	S
Deliverable 1.2.2: Extension and deepening of pre-existing Roadmaps in China and Kazakhstan using data and conclusions from Roadmap Development Tool	July 2021	100%	100%	Completed during the previous reporting period.	S
Deliverable 1.2.3: Application of Roadmap Development Tool to 4 countries with no pre-existing Roadmaps (India, Mexico, Mongolia, Nigeria)	June 2021	100%	100%	Completed during the previous reporting period.	S
Deliverable 1.2.4: Development of partial Roadmaps in India, Mexico, Mongolia and Nigeria using data and conclusions from Roadmap Development Tool	June 2021	100%	100%	Completed during the previous reporting period.	S
Deliverable 1.2.5: Presentation of the 6 Roadmaps to the respective national governments	June 2021	100%	100%	Completed during the previous reporting period.	S
Output 1.3: Roadmap implementation support for 2 countries	Sept. 2022	90%	100%	Roadmap implementation support in selected and additional countries have been completed.	S
Deliverable 1.3.1: Selection of 2 countries for Roadmap implementation support	Nov. 2020	100%	100%	Completed during the previous reporting period.	S
Deliverable 1.3.2: Identification of specific areas of Roadmap implementation support in each country	Jan. 2021	100%	100%	Completed during the previous reporting period.	S
Deliverable 1.3.3: Roadmap implementation support to 2 countries in the identified areas	Aug. 2021	100%	100%	Completed during the previous reporting period.	S

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Outputs/Deliverables ¹¹	Expected delivery date ¹²	Implement-ation status as of 30 June 2022 (%)	Implement-ation status as of 31 Dec. 2022 (%)	Progress rating justification ¹³ , description of challenges faced and explanations for any delay	Progress rating ¹⁴
Deliverable 1.3.4: Roadmap implementation support in 2 additional countries (Nigeria and Mongolia) [NEW]	Sept. 2022	60%	100%	<p>Mongolia: Mongolia's Sustainable Finance Roadmap approved by Financial Stability Council (FSC) at Green Finance Regional Forum in March 2022. ESG and Sustainability Reporting Guidance for Mongolian Companies was launched and endorsed by Financial Regulatory Commission (FRC) at "IPO event" organized by FRC in April 2022. For more information, please refer to Project Output Mongolia in the Annex.</p> <p>Nigeria: Building on the Nigeria Green Tagging Banking Review and the launch of Nigerian Climate Finance Transition Group on the GGKP Green Forum, Nigeria has made substantive progress. There is ongoing discussion and collaboration with the Central Bank of Nigeria (CBN) to support the capacity building activities and development of a framework on climate-related risk management for regulators and financial institutions. As of October 2022, the CBN has commenced reviewing the implementation of Nigeria Sustainable Banking Principles (NSBP) by adopting international best practices and reflecting climate change. For more information, please refer to Project Output Nigeria in the Annex.</p>	S
COMPONENT 2 - BUILD INTERNATIONAL CONSENSUS AROUND BEST PRACTICE					
Output 2.1: Dialogues to build consensus around best practices for green financial system are held at G7, G20, the WBG/UN Environment Roadmap on Sustainable Finance and the Group of Friends of SDG Financing	Oct. 2022	93%	100%	All the work under this output has been completed with the implementation of communication activities.	S
Deliverable 2.1.1: Development of inventory of key stakeholders and networks for Dialogue attendance and information dissemination purposes (including the creation and maintenance of an online, interactive Sustainable Finance community of practice – [NEW])	Oct. 2022	100%	100%	Completed during the previous reporting period.	S
Deliverable 2.1.2: 4 Dialogue events to be held on the margins of 4 international meetings: the G7, the G20, the WB/UNEP Roadmap Meeting and the UN Group of Friends of SDG Financing. One such event will be dedicated to the issue of gender in sustainable finance	Nov. 2020	100%	100%	Completed during the previous reporting period.	S

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Outputs/Deliverables ¹¹	Expected delivery date ¹²	Implement-ation status as of 30 June 2022 (%)	Implement-ation status as of 31 Dec. 2022 (%)	Progress rating justification ¹³ , description of challenges faced and explanations for any delay	Progress rating ¹⁴
Deliverable 2.1.3: Presentations and a synthesis report from each Dialogue event to be published on the Global Learning Platform	Jan. 2021	100%	100%	Completed during the previous reporting period.	S
Deliverable 2.1.4: Developing and delivering a dedicated Communications and Outreach Strategy [NEW]	Oct. 2022	70%	100%	The high-level communication strategy has been developed and implemented. The outputs of communication activities include a series of blogs, webinars, social media and other communications outreach activities. (See Annex for their implementation and impact)	S
Output 2.2: Accompanied learning strategies from national experiences in greening the financial system are developed and agreed	June 2021	100%	100%	All the work under this output has been completed during this reporting period.	S
Deliverable 2.2.1: Lessons-learned and knowledge-sharing workshop held for the 6 participating countries and other countries in the Sustainable Banking Network	June 2021	100%	100%	Completed during the previous reporting period.	S
Deliverable 2.2.2: Roadmap Design and Implementation Guide developed and published for national governments	Jan. 2021	100%	100%	Completed during the previous reporting period.	S
Output 2.3: A Global Learning Platform to build and capture consensus on harmonised green financing policies, regulations and norms is operational	Dec. 2022	100%	100%	The Global Learning Platform is now fully operational	S
Deliverable 2.3.1: Mapping undertaken of international institutions, methods and standards relevant to embedding environmental considerations into financial system development and assessment	Dec. 2020	100%	100%	Completed during the previous reporting period.	S
Deliverable 2.3.2: Development and launch of the Global Learning Platform in conjunction with partner organisations (including a GEF "Aligning Finance Policies" project website [NEW])	Nov. 2021	100%	100%	Completed during the previous reporting period.	S
Deliverable 2.3.3: The Global Learning Platform is maintained as a live process, including an online data repository and a programme of stakeholder meetings	Dec. 2022	100%	100%	Completed during the previous reporting period.	S
COMPONENT 3 - PROMOTE SUSTAINABLE INFRASTRUCTURE INVESTMENT					
Output 3.1: Sustainable Infrastructure Working Group is launched	April 2019	100%	100%	All deliverables under this output were produced / completed.	S

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Outputs/Deliverables ¹¹	Expected delivery date ¹²	Implement-ation status as of 30 June 2022 (%)	Implement-ation status as of 31 Dec. 2022 (%)	Progress rating justification ¹³ , description of challenges faced and explanations for any delay	Progress rating ¹⁴
Deliverable 3.1.1: Preparatory activities in advance of the launch of the Working Group, including identification of initial Working Group members and preliminary discussions on Working Group governance and strategy	Feb. 2019	100%	100%	Completed during previous reporting period	S
Deliverable 3.1.2: Logistical support to the official launch event of the Working Group and subsequent meetings	Feb.2019	100%	100%	Completed during previous reporting period	S
Deliverable 3.1.3: Working Group governance arrangements and operational guidelines finalised and endorsed by Working Group members	April 2019	100%	100%	Completed during previous reporting period	S
Deliverable 3.1.4: Second round of Working Group membership expansion planned and implemented in the second year of project implementation - CANCELLED	N/A	N/A	N/A	N/A	N/A
Output 3.2: Sustainable infrastructure investment principles developed and presented to infrastructure planners and policymakers	December 2022	90%	100%	All deliverables under this output were produced / completed.	S
Deliverable 3.2.1: Sustainable Infrastructure Investment Principles developed by the Working Group, informed by the systems-level work of the Inquiry	December 2019	100%	100%	Completed during previous reporting period	S
Deliverable 3.2.2: Sustainable Infrastructure Principles are presented to policymakers and planners	September 2020	100%	100%	Completed during previous reporting period	S
Deliverable 3.2.3: Sustainable Infrastructure Principles are agreed to by Working Group Members and formally adopted	December 2020	100%	100%	Completed during previous reporting period	S
Deliverable 3.2.4: Capacity building support provided to stakeholders in Rwanda [NEW]	June 2022	100%	100%	Completed during previous reporting period	S
Deliverable 3.2.5: Measurable commitments are obtained from policymakers and planners	December 2022	50%	100%	At the EfE conference in October 2022, Member States made 40 voluntary commitments on actions to implement various aspects of the sustainable infrastructure principles.	S
Output 3.3: Planned major infrastructure investments are mapped and overlaid against areas of globally significant environmental risk related to 3 MEAs	December 2020	100%	100%	All deliverables under this output were produced / completed.	S

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Outputs/Deliverables ¹¹	Expected delivery date ¹²	Implement-ation status as of 30 June 2022 (%)	Implement-ation status as of 31 Dec. 2022 (%)	Progress rating justification ¹³ , description of challenges faced and explanations for any delay	Progress rating ¹⁴
Deliverable 3.3.1: Global GIS dataset assembled from existing sources, including data relevant to the UNFCCC, UNCBD and UNCCD	December 2020	100%	100%	Completed during previous reporting period	S
Deliverable 3.3.2: Global inventory drawn up of investment projects matching agreed design parameters (type, size threshold, location, etc.)	December 2020	100%	100%	Completed during previous reporting period	S
Deliverable 3.3.3: GIS map created, overlaying investment projects on layers including biodiversity zones, protected areas, soil-types and climate-types	December 2020	100%	100%	Completed during previous reporting period	S
Output 3.4: Environmental impacts of the mapped infrastructure are estimated	December 2022	88%	100%	All deliverables under this output were produced / completed.	S
Deliverable 3.4.1: Methodology developed to estimate the impact of investment projects on MEA-relevant environmental variables	December 2020	100%	100%	Completed during previous reporting period	S
Deliverable 3.4.2: Methodology peer-reviewed by expert group and revised accordingly	September 2020	100%	100%	Completed during previous reporting period	S
Deliverable 3.4.3: Methodology applied to mapped investments to estimate their potential environmental impact	March 2022	100%	100%	Completed during previous reporting period	S
Deliverable 3.4.4: Information dissemination strategy developed and implemented (including provision of the investment map and impact modelling through the Web)	December 2022	50%	100%	The global database of planned road and rail investments and mapping of their environmental risks vs. potential economic and social benefits was published in a report and made available in an online data viewer. The report was launched during an event at CBD COP 15 in Montreal in December 2022.	S
Output 3.5: At least one infrastructure investment is identified, a set of specific sustainable investment criteria is developed, and environmental impacts are modelled	October 2022	60%	94%	Final completion of this output has been delayed by ongoing issues with the Mongolian IP. Please see the comment for deliverable 3.5.3	MS
Deliverable 3.5.1: Identification of a major sustainable infrastructure investment project in Mongolia	February 2021	100%	100%	Completed during previous reporting period	S
Deliverable 3.5.2: Environmental impacts and systemic financial context of the investment project are analysed using a suite of tools, including the tools developed under Output 1.1 and the impact modelling under Output 3.4, to identify key entry-points for GEF assistance	June 2022	100%	100%	Completed during previous reporting period	S

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Outputs/Deliverables ¹¹	Expected delivery date ¹²	Implement-ation status as of 30 June 2022 (%)	Implement-ation status as of 31 Dec. 2022 (%)	Progress rating justification ¹³ , description of challenges faced and explanations for any delay	Progress rating ¹⁴
Deliverable 3.5.3: Development of potential investment criteria and detailed assessment of biophysical and economic impacts using modelling	October 2022	50%	90%	Several previous drafts of the report were reviewed by UNEP and comments provided and it is our understanding that the comments are being addressed and the report is being finalized. However, as of the end of the reporting period (December 2022) the Mongolian IP had yet to submit the finalized report to UNEP despite months of follow-up. The project team finally received the report from the Mongolian partner in July 2023.	MS
Deliverable 3.5.4: Selection of finalised investment criteria	October 2022	50%	90%	Please see the comment for deliverable 3.5.3, which applies to this deliverable as well.	MS
Deliverable 3.5.5: Measurable commitments secured from the investor responsible for the investment project to apply, and conform with, the investment criteria	June 2022	0%	90%	Please see the comment for deliverable 3.5.3, which applies to this deliverable as well.	MS
Output 3.6: Measurement framework to track performance against Working Group principles is developed and tested on at least one infrastructure investment	April 2022	70%	100%	All deliverables under this output were produced / completed.	S
Deliverable 3.6.1: Development of a framework for measuring progress towards sustainable infrastructure at the aggregate level	February 2022	100%	100%	Completed during previous reporting period	S
Deliverable 3.6.2: Review of the measurement framework by Working Group members and experts, and revisions applied to the framework accordingly	November 2022	100%	100%	Completed during previous reporting period	S
Deliverable 3.6.3: Endorsement of the measurement framework by members of the Working Group	November 2022	50%	100%	Endorsement in principle through participation in workshop; however work on measurement framework will continue after the project implementation period to continue to improve it.	S
Deliverable 3.6.4: Global application of the measurement framework to assess countries' progress towards sustainable infrastructure	May 2022	100%	100%	Completed during previous reporting period	S
Deliverable 3.6.5: Information dissemination and awareness-raising about the measurement framework undertaken at the Dialogue events and other fora	December 2022	0%	100%	Pilot measurement framework has been shared with relevant stakeholders, and UNEP will participate in a March 2023 expert group meeting for review of SDG 9 in preparation for the 2023 High Level Political Forum on Sustainable Development (HLPF); the pilot measurement framework will be shared in the context of discussion on SDG 9 indicators.	S

3.3. Risk Rating

Table A. Risk-log

Risk	Risk affecting:	Risk Rating					Variation respect to last rating	
	Outcome / outputs	CEO ED	PIR 1	PIR 2	PIR 3	PIR 4	Δ	Justification
Risks identified at CEO Endorsement								
Shallow pool of expertise available that understands green finance and sustainable infrastructure.	All	M	L	L	L	L	=	<p>Components 1 & 2: The country stakeholders have robust sustainable finance expertise and extensive knowledge of their country sustainable finance regulatory landscape and institutional dynamics. The GGKP undertook this project by capitalising on its extensive network of 36 knowledge partners, including leading financial think tanks, and were able to identify partners with a substantial track record in the field of sustainable finance to implement the communication strategy.</p> <p>Component 3: In the case of Component 3, this risk has been managed by a thorough initial stocktaking and outreach to relevant experts that was successful in securing the involvement of sustainable infrastructure experts. The creation of a network of experts and ongoing communication and engagement has allowed the project to continue to access the expertise required for the project.</p>
Lack of cross-country and cross-institutional learning preventing the up-take of best practice into international norms and standards.	Outcome 2	M	L	L	L	L	=	<p>Key-international fora were identified and linked to the communications and outreach strategy. These networks have proven to be powerful mechanisms to share knowledge and best practices, signal policy commitments, and facilitate the joint development of international standards. In addition, many international regulatory bodies have now set up dedicated green finance-related working groups or taskforces.</p> <p>The Green Finance Measures Database, the global compendium of 780+ sustainable finance policies and regulations across 109 countries allows policymakers to benchmark their green finance regulatory landscape against their peers, ultimately replicating green finance standards and norms. This benchmarking tool to monitor jurisdictions' sustainable finance strategic intervention is critical for the interoperability of approaches, thus contributing to shape a more coordinated and systemic approach to the global green market.</p> <p>The Green Finance Platform provides a clearinghouse of market, policy and regulatory innovations for the financial system to contribute to the transition towards a low-carbon, resilient and inclusive economy. It focuses on building consensus on international and national sustainable finance measures towards a credible alignment of financial and capital markets with sustainability goals. Its mission is to strengthen connections and coordination efforts within the sustainable finance ecosystem.</p> <p>GEF Aligning Finance Policies initiative page provides a library of all knowledge products, blog series with leading practitioners engaged in the</p>

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								<p>GEF project, webinar series to consider regional outreach based on international experience and the relevance of a growth regime in which fiscal, financial and monetary policies are complementary and cooperative, based on national experiences.</p> <p>The Green Finance Platform Twitter account (Dec 2022: 4,081 followers): To raise visibility of the project; To engage with broader audience outside of the project; https://twitter.com/GGKP_Finance</p> <p>Green Forum 'Sustainable Finance' group (Dec 2022: 984 members): To facilitate discussions between the above key partners and national authorities for international dialogue; https://thegreenforum.org/group/61/stream; The about section featured the GEF Aligning Finance policies project</p> <p>The re-establishment of the G20 Sustainable Finance Study Group after a 2-year hiatus, co-chaired by the Chinese central bank and the US Treasury, reflects a renewed momentum of green multilateralism. Discussions at the G7/G20 level are central to achieving some level of international coordination on green finance policies. Africa led the global climate negotiations in 2022, with Egypt hosting the COP27 climate change conference, the International Monetary Fund/World Bank annual meetings taking place in Morocco, and Indonesia chairing the G20 group. The six roadmaps are very timely and fits the workstreams of the Sustainable Finance Working Group for 2022.</p>
Major infrastructure development initiatives are hampered by geo-political, security and other risks, thereby undermining its central role in the GEF-financed project.	Outcome 3	M	M	L	L	L	=	<p>While the COVID-19 pandemic has impacted countries' public budgets and implementation capacities, there are indications that the pandemic has increased awareness of the importance of sustainable infrastructure investment. One example is the announcement by the G7 this week of \$600 billion in global infrastructure investments under the "Partnership for Global Infrastructure and Investment".</p>
Climate change and other environmental stresses jeopardise infrastructure assets.	Outcome 3	M	L	L	L	L	=	<p>While infrastructure assets are increasingly under threat from the impacts of climate change, this is a motivating factor in investing in sustainable and resilient infrastructure, and therefore poses a low risk to the project.</p>
Closure of the Inquiry into the Design of a Sustainable Financial System	Outcomes 1 and 2	M	S	M	L	L	=	<p>The Inquiry was requested to continue its work and complete the specific workstreams through 2019. With the appointment of a new Executive Director in 2019, the Inquiry was requested to continue through the end of 2020 to enable continuity and support to a broader UNEP discussion on creating / managing / implementing a finance platform. Delays in project implementation require an additional timeframe through December 2021 for this particular workstream of the Inquiry project.</p> <p>The GEF project was moved back to the Economy Division where a number of workstreams exist, such as the Green Economy team, UNEP FI, and high visibility programmes such as PAGE. The interlinkages and collaboration have gone a long way in strengthening the discussion on finance. The Inquiry team supported the project through the end of its deliverables. Uptake of country work has been discussed with PAGE/Green Economy Unit and UNEP FI to ensure sustainability and enhancing activities. Additionally, the new UNEP system wide Medium-Term Strategy from 2021-2023 has built in an emphasis on finance.</p> <p>The remaining work to be undertaken under Components 1 and 2 until December 2022 has been formally handed over from the Inquiry to GGKP.</p>

Risks identified in the Environmental and Social Safeguards screening								
N/A – no Medium, or High risks were identified in the E&S safeguards screening.								
Risks identified in the 2020 PIR								
The UNEP Inquiry has delayed the submission of expenditure reports and co-finance reports, thus the UNEP Climate Change Mitigation Unit has little visibility on the use of GEF funds so far.	Outcomes 1 and 2	-	H	L	L	L	=	All outstanding expenditure and co-finance reports have all been submitted by the Inquiry team.
The economic and health crises caused by the COVID-19 pandemic may affect government's commitment or ability to incorporate sustainability into infrastructure planning and investment.	Outcome 3	-	M	M	L	L	=	Infrastructure investments play a major part in many countries' post-COVID recovery plans, and investments in sustainable infrastructure can have higher economic multipliers and create more jobs than investments in "brown" infrastructure. The risk is reduced to Low because evidence shows that to-date, around 30% of announced global recovery spending is earmarked for sustainable investments.
Measures to combat the spread of COVID-19 have impacted UNEP and its implementing partners' staff capacity; in many cases project personnel have had to work on reduced schedules in order to provide family care, among other things.	All	-	M	M	L	L	=	Components 1 & 2: This risk delayed the development of the Nigeria, India and Mongolia sustainable finance roadmaps, but all three were delivered by the end of 2022. The Covid-19 challenge allowed countries to invest more in outreach upfront which in turn allowed for stronger deliverables when it came time for implementation. Progress in Component 2 and subsequent outputs has been very strong considering the impacts of the Covid-19 pandemic. While in person meetings did not take place, nor travel, the virtual outreach was systematic and targeted, particularly through a strong group of partners with many engagements at events, webinars, bilateral, task forces and country engagement. The communications strategy developed by the Green Finance Platform is entirely based on virtual outputs and deliverables to mitigate this risk. Component 3: During the reporting period, this risk has manifested primarily in delays to Output 3.5, however, it is not expected to impact the new project completion date.
UNEP administrative delays due to lack of staff capacity, poor communication, and changes to and lack of consistency in administrative processes and procedures has the potential to delay project implementation, especially where legal agreements with implementing partners are required.	All	-	L	L	L	L	=	Components 1 & 2: This risk was mainly on the finance staff, where we faced some difficulties in accessing financing report. Component 3: The project has continued to experience some administrative delays, but the impact has been lower, as project agreements are mostly already in place.
Risks identified in the 2021 PIR								

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COVID 19 pandemic impact on the delivery of the work undertaken by the Mongolian implementing partner.	Output 3.5			S	M			
There is a risk of gaps in transferring project deliverables as part of the handover of the Inquiry's work on Components 1 and 2 to UNEP-FI / GGKP.	Components 1 and 2			M	L	L	=	The risk has been mitigated and the Inquiry gave the GGKP a complete handover of materials and deliverables.
Risks identified in the 2022 PIR								
There is a risk in the management of the GGKP, since the Head of secretariat used to take a supportive role in the project delivery, which is lacking since March 2022.	Components 1 and 2				M	L	↓	The risk has been mitigated by deepening the engagement with partner organizations. The digitization of the Diagnostic Toolkit and its outreach efforts were done in partnership with UNDP Financial Centres for Sustainability (FC4S). The GGKP together with each country focal point developed a country-dedicated "one-pager" to showcase their achievements under the project and project the next steps. The engagement with the GGKP co-host GGGI has been strengthened as well through a GGKP-hosted webinar engaging the Gender Expert Group where GGGI is the co-chair and participation of GGKP in Global Green Growth Week.
Ongoing issues with the Mongolia IP, both in terms of timing and quality of work. While some timing issues have been attributed to COVID impacts, there also seems to be a capacity issue.	Output 3.5				M	M	=	The project team continues to struggle with the Mongolia IP, both in terms of communications and quality of deliverables. At the time of reporting, we have yet to receive the final deliverable, but are following up on a continual basis. However, this only impact part of the delivery of Output 3.5, and the not the project's overall ability to achieve Outcome 3. The risk is therefore considered "Medium".
New risks identified in the 2023 PIR								
N/A								
Consolidated project risk		n.a	M	M	L	L		<i>This section focuses on the variation. The overall rating is discussed in section 2.3.</i>

Table B. Outstanding medium & high risks

Risk	Actions decided during the previous reporting instance (PIR _{t-1} , MTR, etc.)	Actions effectively undertaken this reporting period	Additional mitigation measures for the next periods		
			What	When	By whom
Component 3 risks and action plans from the 2020 PIR					
It will be difficult to quantify progress towards the objective targets (i.e. US\$ investment and GHG emission reductions stemming from the project), since much of the project's contributions are expected to accrue after the end of the project implementation period.	ETP Action 1 [2022]: the ETP Unit will have to continue working on the estimation of GHG emission reductions and present their estimation in December 2022. (July to December 2022)	This action was completed successfully.			
The economic and health crises caused by the COVID-19 pandemic may affect government's commitment or ability to incorporate sustainability into infrastructure planning and investment	ETP Action 2 [2022]: continue to ensure that green COVID recovery lens is applied to project reports and communications strategy and materials. (July to December 2022)	This action was completed successfully.			
New risks identified in the 2022 PIR					
There is a risk in the management of the GGKP, since the Head of secretariat used to take a supportive role in the project delivery, which is lacking since March 2022.	GGKP Action 1 [2022]: The GGKP will deepen engagement with partner organizations (especially UNDP for the Diagnostic Toolkit) and with country focal points (especially Mongolia and Nigeria) to address the lack of guidance. (From July to December 2022)	The digitization of the Diagnostic Toolkit and its outreach efforts were done in partnership with UNDP Financial Centres for Sustainability (FC4S). The GGKP together with each country focal point developed a country-dedicated "one-pager" to showcase their achievements under the project and project the next steps. The engagement with the GGKP co-host GGGI has been strengthened as well through a GGKP-hosted webinar engaging the Gender Expert Group where GGGI is the co-chair and participation of GGKP in Global Green Growth Week.	N/A	N/A	N/A
Ongoing issues with the Mongolia IP, both in terms of timing and quality of work. While some timing issues have been attributed to COVID	ETP Action 3 [2022]: The ETPU will continue to work closely with the Mongolian IP to ensure timely completion of deliverables, as well as additional in-kind contributions	This action was undertaken during the reporting period, including making contributions to the IP's final report. However, at the time of	The ETPU team will continue to follow up closely with the IP beyond the life of the GEF funded project, until the final report has been received.	Q1-Q2 2023	ETPU

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impacts, there also seems to be a capacity issue.	to help ensure quality and help develop IP's capacity. (July to December 2022)	reporting we are still facing challenges with the IP and this management action will continue in the post-implementation period.			
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High Risk (H): There is a probability of greater than 75% that **assumptions** may fail to hold or materialize, and/or the project may face high risks.
Significant Risk (S): There is a probability of between 51% and 75% that **assumptions** may fail to hold and/or the project may face substantial risks.
Medium Risk (M): There is a probability of between 26% and 50% that **assumptions** may fail to hold or materialize, and/or the project may face only modest risks.
Low Risk (L): There is a probability of up to 25% that **assumptions** may fail to hold or materialize, and/or the project may face only modest risks.

Project Minor Amendments

Minor amendments are changes to the project design or implementation that do not have significant impact on the project objectives or scope, or an increase of the GEF project financing up to 5% as described in Annex 9 of the Project and Program Cycle Policy Guidelines.

Please tick each category for which a change occurred in the fiscal year of reporting and provide a description of the change that occurred in the textbox. You may attach supporting document as appropriate.

- ☐ Results framework
- ☐ Components and cost
- ☐ Institutional and implementation arrangements
- ☐ Financial management
- ☐ Implementation schedule
- ☐ Executing Entity
- ☐ Executing Entity Category
- ☐ Minor project objective change
- ☐ Safeguards
- ☐ Risk analysis
- ☐ Increase of GEF project financing up to 5%
- ☐ Co-financing
- ☐ Location of project activity
- ☐ Other

Minor amendments	N/A
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GEO Location Information:

The Location Name, Latitude and Longitude are required fields insofar as an Agency chooses to enter a project location under the set format. The Geo Name ID is required in instances where the location is not exact, such as in the case of a city, as opposed to the exact site of a physical infrastructure. The Location & Activity Description fields are optional. Project longitude and latitude must follow the Decimal Degrees WGS84 format and Agencies are encouraged to use at least four decimal points for greater accuracy. Users may add as many locations as appropriate. Web mapping applications such as [OpenStreetMap](https://openstreetmap.org/) or [GeoNames](https://geonames.org/) use this format. Consider using a conversion tool as needed, such as: <https://coordinates-converter.com> Please see the Geocoding User Guide by clicking [here](#)

Location Name Required field	Latitude Required field	Longitude Required field	Geo Name ID Required field if the location is not an exact site	Location Description Optional text field	Activity Description Optional text field
Ulaanbaatar, Mongolia	47.949809	106.966724	2028462		
Kigali, Rwanda	-1.88596	30.129675	202061		
Accra, Ghana	5.603717	-0.186964	2306104		
Beijing, China	39.906217	116.391276	1816670		
New Delhi, India	28.614179	77.202266	1273294		
Nur-Sultan, Kazakhstan	51.12822	71.430668	1526273		
Mexico City, Mexico	19.432601	-99.133342	3530597		
Abuja, Nigeria	9.064331	7.489297	2352778		

Please provide any further geo-referenced information and map where the project interventions is taking place as appropriate.

N/A

Annex

The Aligning Finance Policies website is accessible here: <https://www.greenfinanceplatform.org/initiatives/gef-aligning-finance-polices-0>

Country Roadmaps



Aligning Finance Policies

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Contains:

- Knowledge library with the six country roadmaps
- Updates with news article and blogs
- Events
- [Sustainable Finance Diagnostic Toolkit](#)

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I. Mongolia

Outputs Produced

Date	Name	Description	Link
15/12/2021	Sustainable Capital Markets Roadmap for Mongolian Stock Exchange 2022-2024	Strategy Document	Link
15/12/2021 (updated 18/04/2022)	ESG & Sustainability Reporting Guidance for Mongolian Companies	Sustainable Finance Roadmap	Link
25/01/2022	Aligning the financial system with sustainable development – a transformational approach in Mongolia	Roadmap Homepage	Link
29/03/2022 to 30/03/2022	Mongolia's 1 st Green Finance Regional Forum	Event	Link
30/03/2022	Mongolia's Sustainable Finance Roadmap approved <ul style="list-style-type: none"> • By Financial Stability Council (FSC), • At Green Finance Regional Forum 	Regulatory Update	Link
08/04/2022	"Mongolia approves sustainable finance roadmap" in Green Central Banking Weekly Roundup	Media Spotlight	Link
15/04/2022	"ESG and Sustainability Reporting Guidance for Mongolian Companies" launched and endorsed <ul style="list-style-type: none"> • By Financial Regulatory Commission (FRC) • At "IPO event" organized by FRC 	Regulatory Update	Link
27/04/2022 (updated 23/08/2022)	Mongolia launches guidelines on corporate sustainability reporting	Press release	Link
28/12/2022	Mongolia green finance policy landscape one-pager	PDF	Link

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II. Nigeria

Outputs Produced

Date	Name	Description	Link
15/01/2022	Aligning the financial system with sustainable development – a transformational approach in Nigeria	Roadmap Homepage	Link
17/02/2022	Nigeria Green Tagging Banking Review	Sustainable Finance Roadmap	Link
15/02/2022	Unlocking Climate Finance in Nigeria with Green Banking	Press Release	Link
17/02/2022	Green Banking: Unlocking Climate Finance in Nigeria	Webinar	Link
09/03/2022	Nigeria Climate Finance Transition Group	Green Forum Group	Link
09/03/2022	Clip 1: Capacity building, Nigerian leadership, and disclosure uniformity	Webinar Clip	Link
16/03/2022	Clip 2: Engagement and regulatory measures on climate risk	Webinar Clip	Link
31/03/2022	Clip 3: Transition risk, stranded assets, and portfolio management	Webinar Clip	Link
15/06/2022	Roundtable for Climate Finance Acceleration in Nigeria	Event	Link
08/11/2022	The Central Bank of Nigeria to support the review of Nigeria Sustainable Banking Principles (NSBP) and capacity building support on climate-related risk management	A letter of support	Link
28/12/2022	Nigeria green finance policy landscape one-pager	PDF	Link

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III. Blogs, Comms and Updates

Outputs Produced

Date	Name	Description	Link	Comms Materials
25/01/2022	Aligning finance with sustainable development through national roadmaps	Project update	Link	Social Media Graphic
26/01/2022	"Financing the visibly invisible: Green and inclusive micro-enterprises in India"	Blog	Link	Social Media Graphic
15/02/2022	"Unlocking Climate Finance in Nigeria with Green Banking"	Press release	Link	Social Media Graphic
22/02/2022	"Managing sustainable finance risks and opportunities in Mexico"	Blog	Link	Social Media Graphic
23/03/2022	"Enhancing disclosure to scale up sustainable finance in China and beyond"	Blog	Link	Social Media Graphic
30/03/2022	Mongolia's Sustainable Finance Roadmap approved • By Financial Stability Council (FSC), • At Green Finance Regional Forum	Regulatory update	NA	Link
08/04/2022	"Mongolia approves sustainable finance roadmap" in Green Central Banking Weekly Roundup	Media spotlight	Link	NA
15/04/2022	"ESG and Sustainability Reporting Guidance for Mongolian Companies" launched and endorsed • By Financial Regulatory Commission (FRC) • At "IPO event" organized by FRC	Regulatory update	NA	Link
12/05/2022	Blog on "Enhancing disclosure to scale up sustainable finance in China and beyond" republished by Green Central Banking	Media spotlight	Link	NA
19/05/2022	Patricia Moles gave speech on green central banking and regulatory measures during Stockholm+50 Informal Working Group meeting	Statement during meeting	Link	NA
27/05/2022	"A snapshot of Kazakhstan's sustainable finance market"	Blog	Link	Social Media Graphic
27/04/2022 (updated 23/08/2022)	Mongolia launches guidelines on corporate sustainability reporting	Press release	Link	Social Media Graphic
01/06/2022	"Uncovering China's green finance pilot zones" by Mengwei Sha featured by Green Central Banking.	Media spotlight/Blog	Link	NA
29/09/2022	Launch of the Sustainable Finance Diagnostic Toolkit	Press release	Link	Comms Package
27/09/2022	10 Steps in the Sustainable Finance Diagnostic Toolkit	Video	Link	NA
08/12/2022	Green Finance Platform's Database Shows Significant Rise in Global Green Finance Measures	Press release	Link	Comms Package
28/12/2022	GEF Aligning Finance Policies country green finance policy landscape one-pagers	PDF	Link	NA

Communications Channels



Green Finance Platform
@GGKP_Finance

GFP Twitter

- ▶ Handle: @GGKP_Finance
- ▶ Followers: 4,046 (as of Dec 2022)
- ▶ Active on recent research, events and news surrounding sustainable finance



Sustainable Finance Discussion

- ▶ On the Green Forum (thegreenforum.org)
- ▶ Members: 977 (as of Dec 2022)
- ▶ Community space for sustainable finance professionals, peer-to-peer knowledge exchange to align finance with sustainability

Aligning Finance Policies

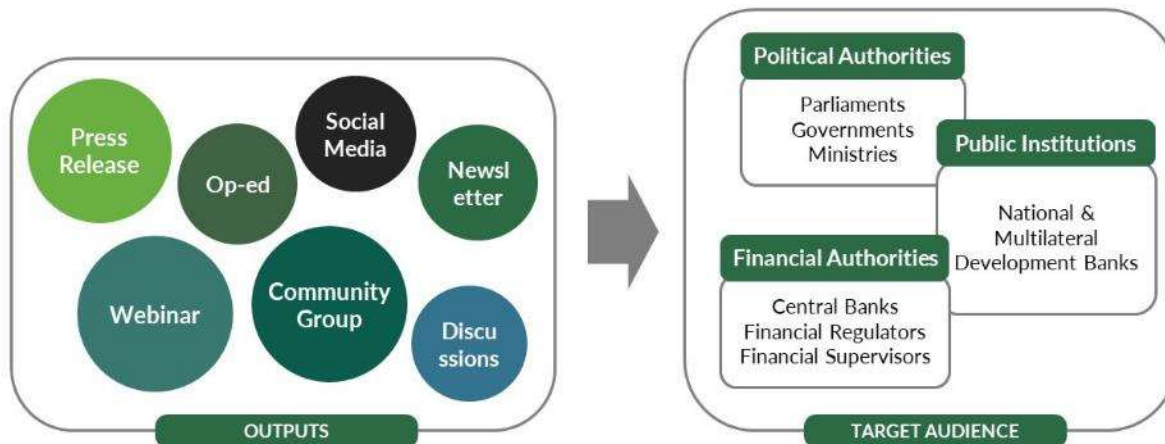
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Stakeholder Engagement



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Blogs

Financing the visibly invisible: Green and inclusive micro-enterprises in India

- Stella George, Manager, Policy and Planning Domain, Development Alternatives (DA)

Managing sustainable finance risks and opportunities in Mexico

- Patricia Moles, Environmental and Social Risk Analysis and Policies Division, Banco de México

Enhancing disclosure to scale up sustainable finance in China and beyond

- Cheng Lin, Director, Centre for International Collaborations, Beijing Institute of Finance and Sustainability

A snapshot of Kazakhstan's sustainable finance market

- Milana Takhanova, Senior Economist, AIFC Green Finance Centre

Uncovering China's green finance pilot zones

- Mengwei Sha, Researcher, Beijing Institute of Finance and Sustainability



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Webinars



- Launched the *Nigeria Green Tagging Banking Review*

Focuses:

- How to mobilise private sector investment to bridge the infrastructure deficit.
- The role of non-financial disclosure in guiding investments.
- How policy incentives can accelerate the implementation of a clean energy transition.
- Scaling up green bond issuance.



- Side Event for the 66th session of the Commission on the Status of Women

Focuses:

- Measuring gender-responsive financing.
- Encouraging international climate finance mechanisms to use gender-disaggregated data.
- Catalysing gender-responsive sustainable finance.



- Presented the *Sustainable Finance Diagnostic Toolkit*

Focuses:

- Policy and regulatory interventions to close sustainable investment gap
- Barriers in aligning the financial system with sustainability goals
- Developing and implementing a sustainable finance roadmap

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IV. Sustainable Finance Diagnostic Toolkit

Outputs Produced

Date	Name	Description	Link
21/09/2022	UNEP climate feed – The Sustainable Finance Diagnostic Toolkit	Media Spotlight	Link
23/09/2022 – 03/10/2022	Sustainable Finance Diagnostic Toolkit launch	Social media campaign	Link
27/09/2022	Sustainable Finance Diagnostic Toolkit launch communications package	Comms package	Link
27/09/2022	GFP and FC4S introduce toolkit to help countries develop a sustainable finance roadmap	Press Release	Link
27/09/2022	10 Steps in the Sustainable Finance Diagnostic Toolkit	Video	Link
27/09/2022	The Sustainable Finance Diagnostic Toolkit is launched by GFP and FC4S	Newsletter	Link
27/09/2022	Sahel Standard Magazine – GFP and FC4S Introduce Toolkit for Sustainable Finance Roadmap	Media Spotlight	Link
28/09/2022	Sustainable Finance Diagnostic Toolkit launch news shared by partners	Media Spotlight	Link1 , Link2 , Link3
29/09/2022	Geneva Brief newsletter – Launch of the Sustainable Finance Diagnostic Toolkit	Media Spotlight	Link
30/09/2022	GGKP Knowledge Update – Green Finance Platform: A diagnostic toolkit to help countries develop a sustainable finance roadmap	Newsletter	Link
18/10/2022	Climate Adapt – Tools – Sustainable Finance Diagnostic Toolkit	Media Spotlight	Link
08/12/2022	Developing a Sustainable Finance Roadmap: A strategic approach	Webinar	Link

Sustainable Finance Diagnostic Toolkit

- ▶ Ten-step, digitalized questionnaire facilitating the development of a national sustainable finance status report, the first step towards developing a country-level sustainable finance roadmap.
- ▶ Based on research and analysis by UNEP Inquiry and the International Network of Financial Centres for Sustainability (FC4S).

1		Building the narrative	6		Aligning with international experience
2		Defining sustainable finance	7		Mapping the national financial system
3		Sustainable finance needs	8		Drivers of sustainable finance
4		Sustainable finance stocks and flows and future investment gap	9		Stocktaking/progress to date
5		Barriers to sustainable finance	10		Potential innovations/possible interventions

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Sustainable Finance Diagnostic Toolkit

Welcome to the Sustainable Finance Diagnostic Toolkit

The Sustainable Finance Diagnostic Toolkit is a 10-step online questionnaire to help facilitate the development of a national sustainable finance status report and provide input in developing a sustainable finance roadmap – an agenda and form consensus on key measures and actions to be taken to enhance sustainable finance in the country.

This toolkit is based on research and analysis by the UNEP Inquiry into the Design of a Sustainable Financial System and the International Network of Financial Centres for Sustainability (FC4S). It is developed and deployed online as a part of the Global Environment Facility (GEF) funded Inquiry into the Design of a Sustainable Financial System, under which the Green Finance Platform is working with its partners.

The Green Finance Platform provides a cross-country of market, policy and regulatory information for the financial sector for countries in the transition towards a transition, resilient and inclusive economy. Developing a sustainable finance roadmap through this toolkit is the first step in building the national architecture for sustainable economic transition. The toolkit is followed by three consultation steps: aligning with global standards and best practices based on the Green Finance Platform's findings, developing a national green financial policy and regulatory framework for the Green Finance Platform's framework, and shaping the global sustainable finance knowledge network based on the Green Finance Platform's framework.

10 Steps in the Diagnostic Toolkit

1. Building the narrative
2. Defining sustainable finance
3. Sustainable finance needs
4. Sustainable finance stocks and flows and future investment gap
5. Barriers to sustainable finance
6. Aligning with international experience
7. Mapping the national financial system
8. Drivers of sustainable finance
9. Stocktaking/progress to date
10. Potential innovations/interventions

Get started **Feedback**

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V. Green Finance Measures Database

Outputs Produced

Date	Name	Description	Link
30/11/2022	GGKP Knowledge Update November 2022 - A Global Compendium of Sustainable Finance Policies and Regulations	Newsletter	Link
09/12/2022 – 16/12/2022	Green Finance Measures Database launch	Social media campaign	Link
09/12/2022	Green Finance Measures Database launch communications package	Comms package	Link
09/12/2022	Green Finance Platform's Database Shows Significant Rise in Global Green Finance Measures	Press release	Link
15/12/2022	Geneva Brief newsletter – Green Finance Platform's Database Shows Significant Rise in Global Green Finance Measures	Media Spotlight	Link

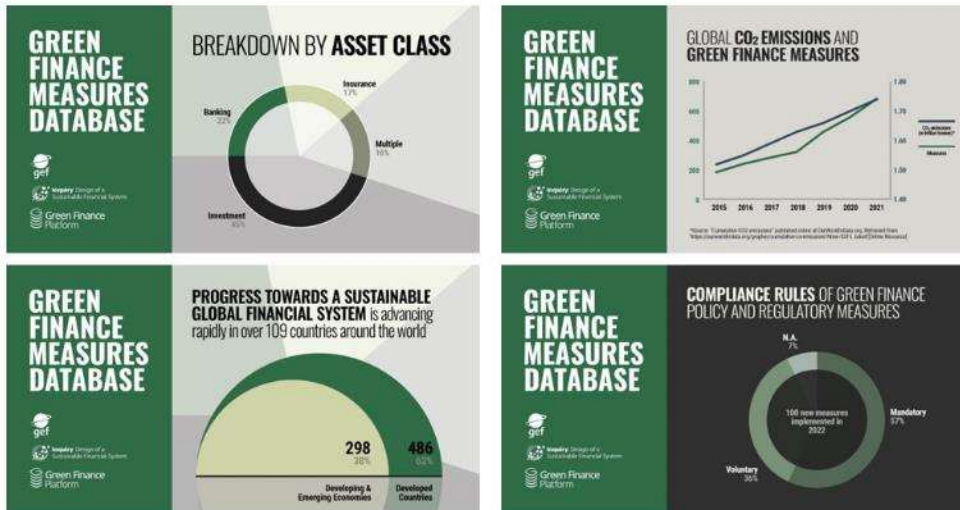
Green Finance Measures Database



Aligning Finance Policies



Green Finance Measures Database



Aligning Finance Policies

